

# Arizona Department of Administration

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## A Guide to State Administrative Requirements for Small and Medium-Sized Agencies

February, 2002



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Dear Small and Mid-sized Agency Director:

In May 2000, I asked the Governor's Office for Excellence in Government (OEG) to examine small- and mid-sized agencies' efforts to meet state administrative requirements. The objective of this project was to produce recommendations for improving the assistance available to small and mid-sized agencies in fulfilling those administrative requirements. Particular attention was to be paid to the role of the Arizona Department of Administration (ADOA) in assisting the small and mid-sized agencies with their requirements. The administrative requirements include:

- Capitol Mall Personnel Office (CaMP) personnel procedures,
- General Accounting Office (GAO) accounting procedures,
- Governor's Regulatory Review Council (GRRC) rule writing procedures,
- ADOA Information Services Division (ISD) information technology procedures,
- State Procurement Office (AzSPO) purchasing and contracting procedures,
- the biennial budget request submitted to the Office of Strategic Planning and Budgeting (OSPB),
- the annual strategic plan submitted to OSPB,
- the annual agency information technology plan submitted to the Government Information Technology Agency (GITA),
- Secretary of State procedures for public meetings, and
- Library, Archives and Public Records (LAPR) records management.

The OEG report, titled *Small & Mid-Sized Agencies and State of Arizona Administrative Requirements*, identified a gap between the actual and expected levels of knowledge required to meet administrative requirements. The creation of this booklet, *A Guide to State Administrative Requirements for Small and Mid-Sized Agencies*, was among the recommendations outlined in the OEG report to reduce that gap. We consider this Guide to be a starting point to learn about ADOA services in order to assist you in your efforts to comply with the administrative requirements. This Guide also includes information on the administrative requirements of other external state government entities who require information. I would like to thank all of the offices involved for their participation in the development of this Guide.

It is our hope that this guidebook will bridge the gap by providing the knowledge necessary for small- and mid-sized agencies to fulfill the administrative requirements and procedures. However, I would like to emphasize that there is no substitute for formal training. Employees of small- and medium-sized agencies, boards and commissions should take advantage of training opportunities as well as informal instruction and meetings on requirements of State procurement, personnel, planning records management and rules.

It is the goal of all services within ADOA that this Guide will be the first step in providing you with great customer service to assist you and your agency in complying with proper administrative procedures.

Sincerely,

J. Elliott Hibbs  
Director

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## I. OVERVIEW OF ADOA

The Arizona Department of Administration (ADOA) was established by the Arizona State Legislature in July 1973 to provide support services to the operation of state government. Consolidating common support services into one agency allows other state agencies and their employees to focus their resources and efforts on meeting the various needs of the citizens of Arizona. The Arizona State Legislature funds the majority of ADOA programs with a budget over \$480 million.

ADOA is composed of the Director's Office and seven divisions: Financial Services, General Services, Human Resources, Information Services, Management Services, Strategic Administrative Services and Capitol Police.

Each division consists of programs which provide various services. Some of the 106 services ADOA provides by division are:

### **Financial Services Division**

Administers the statewide payroll system, processes vendor warrants, operates and maintains the State's financial system (AFIS), establishes and administers accounting policies and procedures, prepares statewide financial reports for the State of Arizona, delegates procurement authority to State agencies, establishes and administers contracts for commodities and professional services, establishes procurement rules, procedures and practices, provides technical assistance and guidance relating to procurement statutes, rules and procedures, conducts procurement training, investigates and settles all claims relating to state property and liability issues, investigates and settles all workers' compensation claims filed by State employees, and assists State agencies in reducing the frequency and cost of losses.

### **General Services Division**

Maintains ADOA-managed office buildings (plumbing, electrical, heating/cooling, and general maintenance), provides custodial services, maintains landscaping, inspects facilities, manages the modification of office space, oversees private sector office leases for agencies, manages space utilization of ADOA office buildings, manages construction and renovation projects (elevators, roof replacements, etc.), and provides design and construction of new prisons and new state office buildings.

### **Human Resources Division**

Establishes and administers the State's personnel rules and policies, provides a wellness program, administers the State's health, life and dental insurance program, and provides personnel services in the areas of employment, classification, compensation and employee relations.

### **Information Services Division**

Provides mainframe and mid-range processing, manages help desk, provides statewide telecommunication services, provides policy guidance and project support for the State's 9-1-1 program, and provides application development and support for statewide systems such as the financial system and the State's personnel and payroll system.

### **Management Services Division**

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Provides procurement, accounting and budgeting for internal support to ADOA divisions, administers travel reduction programs, administers the rulemaking process, provides assistance to agencies, boards and commissions in complying with current disability laws, manages a fleet of vehicles, disposes of state and federal surplus property, provides administrative support to some licensing agencies, provides printing and copying services, provides office supplies through stockroom service, collects and distributes U.S. and interagency mail, and maintains and repairs small office machines.

In addition, the State Boards Office (SBO) provides centralized administrative support services to small licensing agencies housed within the SBO suite located at 1400 W. Washington. The types of services provided include receptionist, accounting, payroll, personnel, benefits coordination and agency liaison. The SBO also provides financial and human resource assistance to several other small agencies located outside of the SBO suite. All services are provided to agencies on a fee-for-service basis. To obtain more information about how the SBO can assist your agency, please call (602) 542-8168.

### **Strategic Administrative Services Division**

Provides statewide services in the area of recognition events and incentive programs. Also provides internal services in strategic planning, customer feedback systems, training, recognition, and other performance excellence assistance.

### **Capitol Police**

Provides law enforcement, public safety, crime prevention and security services on governmental malls in Tucson and Phoenix.

As previously mentioned, the legislature created ADOA nearly 30 years ago to capitalize on the efficiencies that can be gained by consolidated common support services in one central government agency. The mission of ADOA reflects this purpose -- "to provide effective and efficient support services to enable government agencies, state employees and the public to achieve their goals".

Whether ADOA is processing payroll, cleaning restrooms, constructing buildings, dispatching vehicles, picking up surplus property, or conducting a wellness class, *state agencies and their employees* require ADOA to provide services that are:

- **Accessible** (ease with which the customer can contact the service provider);
- **Timely** (degree to which the service is accomplished within the customer's requested time frame and/or within the negotiated time frame);
- Of high **Quality** (extent to which the service met established or agreed-upon standards or other essential characteristics); and
- **Cost-effective** (degree in which the cost of service is appropriate to the value received).

The following section lists questions that are frequently asked by small- and mid-sized agencies about the ADOA services that oversee administrative requirements. The responses follow each of the questions. Keep in mind that the responses are considered as starting points for a small- to medium-sized agency to gather information about ADOA services and other key agencies and their requirements. There is no substitute for formal training and **we encourage agencies to continue to take advantage of all training opportunities.**

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## II. FREQUENTLY ASKED QUESTIONS: ADOA UNITS

### Capitol Mall Personnel Office (CaMP)

#### *What does the CaMP Office do?*

The CaMP provides decentralized human resource service to all state agencies in the ADOA Personnel System. The eight largest State agencies have decentralized Human Resources Offices located on site at each of their facilities. The small- and medium-sized agencies receive human resource services from the Capitol Mall Personnel Office.

The services provided vary, depending on agency needs, and may include some or all of the following:

- Serve as the liaison between agency management and ADOA Human Resources Division.
- Ensure compliance with federal and state laws, Personnel Rules, policies and procedures.
- Provide lists of qualified candidates to fill vacant positions.
- Provide data entry services (HRMS).
- Consult and advise agency management regarding classification action and employee relations issues.
- Audit agency personnel actions.
- Explain benefits, enroll new employees and distribute benefits information.
- Approve special entrance, promotional rates, administrative adjustments, donated annual leave actions and assist in administering reduction in force (RIF) activities.
- Provide template and/or NCR forms regarding personnel action requests.
- Meet with agency employees and discuss concerns and their rights.
- Provide information about training and employee development programs.
- Work with agency management in responding to Equal Employment Opportunity Commission complaints.
- Assist agencies in resolving management and employee issues.

#### *How do I find the CaMP Office?*

The CaMP Office is located on the second floor of the Capitol Executive Tower, 1700 West Washington, Room 232, Phoenix, Arizona 85007. Parking is available on the west side of 18th Avenue between Jefferson and Washington Streets.

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*How much does the CaMP Office service cost?*

There is no charge for the CaMP Office services. The ADOA Human Resources Division through pro rata and legislative appropriation supports the cost of operating the CaMP Office. State Service agencies within the covered service contribute a pro rata share of the overall cost of personnel administration services provided by the ADOA. (See: A.R.S. § 41-764)

## PERSONNEL MANAGEMENT

*What is the ADOA Personnel System?*

This personnel system, which is one of 11 personnel systems in state government, consists of all agencies subject to the provisions of Title 41, Chapter 4, Articles 5 and 6 of the Arizona Revised Statutes. It covers approximately 92 agencies, boards and commissions that employ over 37,400 employees. Approximately 30,600 of these individuals are permanent full-time employees who are covered by the Personnel Rules.

*Are all employees covered by the Personnel Rules?*

An employee is covered by the State Service merit system absent a constitutional limitation or unless the employee holds a position that is exempted pursuant to A.R.S. § 41-771. Positions exempted pursuant to this law are frequently referred to as “uncovered” positions. Conversely, positions established within the merit system and subject to the Personnel Rules are “covered” positions.

*What are the Personnel Rules?*

By statute, the ADOA is responsible for administering the State Service Merit System and for developing rules for the operation of the system. The rules are promulgated through the Administrative Procedures Act and have the effect of law. The agencies and employees affected by the Personnel Rules are referred to as "covered" employees and agencies. The Personnel Rules establish the guidelines that must be followed regarding employment, classification and compensation, conduct, grievances, discipline and separations. Copies of the rules are available on CaMP's web site through a link with the Secretary of State's Office at [www.hr.state.az.us](http://www.hr.state.az.us).

*What determines the types of actions that are required to be processed through CaMP?*

The respective needs of the agency, the type of HR function and the established procedures determine the types of actions that involve the CaMP Office. Agencies with trained HR personnel and the necessary equipment perform designated HR functions on site. Other HR functions, such as classification actions are processed through the CaMP Office. Consultant services are available on all HR functions, regardless of where the action occurs.

*Where can small- and medium-sized agencies find assistance in developing agency policies?*

For many of the policies required by the Personnel Rules and policies common throughout state government, the CaMP office can provide a template that allows the agency to tailor the policy to fit the agency's organizational structure and needs. CaMP also will provide consultant and/or referral services upon request.

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*How does the CaMP Office communicate with so many agencies?*

Each month the CaMP agencies meet at a central location for special presentations, to discuss recent developments and issues of interest to all state agencies. Issues and current developments are also covered in the monthly CaMP Newsletter, and urgent issues affecting all agencies are dealt with immediately via an e-mail to all CaMP agencies.

*How do I get help with filling a vacant position in my agency?*

The CaMP Office can provide assistance with promoting an internal candidate, obtaining a hiring list from the statewide applicant database, or developing a vacancy announcement to advertise through an agency's web site, the ADOA web site, or advertisements in one or more newspapers.

*How do I establish or reclassify a position?*

Authorization to establish positions in state agencies is granted by the Legislature. When a new position is authorized, the appointed agency representative completes a Position Description Questionnaire (PDQ), an SF 302 form, and an organizational chart that reflects the reporting relationship of the position to other positions in the organization. (The PDQ is available under Class/Comp on the HR web page. The SF 302 forms are available from the CaMP Office.) Pursuant to Personnel Rule R2-5-301. F, "If a material and permanent change has taken place in the duties and responsibilities of a position, an agency head shall report this change to the Director who may order a reclassification of the position. The employee in the position at the time of reclassification shall be entitled to continue to serve in that position." If there is an incumbent at the time that a reclassification request is submitted, the incumbent and the supervisor should sign and date the PDQ form. The complete establish/reclass package is then submitted to the CaMP Office.

*How does an agency get help with the various personnel functions and services provided by the CaMP Office?*

The CaMP Office is staffed by an HR Manager, HR Analysts, and support personnel who are available to answer your questions.

The CaMP Office provides a variety of services to over 85 small- and medium-size agencies throughout state government. Many of these agencies perform certain HR functions in house and rely on the CaMP Office primarily for the distribution of pertinent HR information, the delivery of consultant services, staffing and HRMS system input services. However, there are some review and approval functions that must be processed by the CaMP Office. If your agency needs Human Resources assistance, or would like to find out more about the services that are available, please contact them at (602) 542-1422.

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## General Accounting Office (GAO)

### *What does the GAO do?*

The GAO provides financial information, services and technical assistance to State and Federal government agencies, financial institutions and other interested public or private entities. Key GAO services include:

- Operating the Arizona Financial Information System (AFIS) – the State’s accounting system; operating AFIS extends to maintaining, modifying and enhancing the system and providing agencies with financial information;
- Administering Statewide payroll services, including the payroll portion of the Human Resources Management System (HRMS), direct deposits, garnishments, levies, and bus cards;
- Providing Statewide accounting policies and procedures according to State and Federal laws, rules and regulations;
- Signing and distributing vendor warrants to State agencies;
- Providing Central Service Bureau (CSB) services (data input, bookkeeping, reporting and consulting) to State agencies in accordance with Interagency Service Agreements;
- Administering security for Statewide financial applications (primarily AFIS and HRMS) to help mitigate the State’s risk of financial errors and irregularities;
- Monitoring and reporting on State appropriations to provide agencies with timely and accurate spending authority and management information for decision-making;
- Performing internal audits, reviews, investigations, and providing technical assistance to agencies. These functions assist agencies in problem resolution and enhance the financial integrity of State agencies as well as the State overall;
- Providing Statewide travel policy and procedures training to both agency staff and travelers; and
- Producing annual Statewide financial reports and statements, including but not limited to the Comprehensive Annual Financial Report (CAFR), the Cash Basis Annual Financial Report (AFR) and the Single Audit.

### *How can I contact GAO?*

Our main phone number is (602) 542-5601. Our main fax number is (602) 542-5749. The GAO web site is at [www.gao.state.az.us](http://www.gao.state.az.us). The GAO office is at the State Capitol Complex, 1700 West Washington, Room 290, Phoenix, AZ 85007. Each agency is assigned a liaison from GAO to work with, so you may also have a telephone number and fax to directly contact your liaison.

### *How much does GAO charge for services?*

GAO services are free, except for the following:

- CSB Services (see next section for additional information)
- Hard copies of certain reports, manuals, policies, procedures and forms. These same items are

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available for free, if downloaded from Control D for accounting related reports (further defined below) and our web site. Hard copy reports are sent to agencies who do not have access to AFIS and Control D at no charge.

## CENTRAL SERVICES BUREAU (CSB)

### *What is the CSB?*

The Central Service Bureau assists small and medium State agencies with financial consultation and financial management on a fee-for-service basis. The services include but are not limited to: a full-accounting service, assistance with AFIS/HRMS transaction processing, consulting on financial and management matters, budget preparation, appropriation and budget monitoring, financial planning and analysis, reconciliations, reporting to outside entities (including Federal reporting), and management reporting (includes ad-hoc and mainframe queries for the production of customized reports and pictorial graphs). To obtain more information about how the CSB can assist your agency, please see our web site at [www.gao.state.az.us](http://www.gao.state.az.us) or call (602) 542-7048.

## ACCOUNTING

### *What resources are available to me to learn about my fiscal responsibilities as an agency head?*

Although this handbook is a good start to help you understand your fiscal responsibilities as an agency head, it is not all-inclusive. This GAO section contains summarized information and some frequently asked questions and answers. To view additional critical information for agency heads to be aware of, please visit our GAO web site at [www.gao.state.az.us](http://www.gao.state.az.us) for a more expanded (yet summarized) version of your fiscal responsibilities. Other sources to utilize are the enabling Arizona Revised Statutes (A.R.S.) for your agency, A.R.S. Title 35 for general fiscal responsibility, the State of Arizona Accounting Manual which contains the State's accounting policies and procedures, GAO Technical Bulletins and your agency's GAO liaison. Most of these resources are available on our web site. The GAO also hosts monthly Chief Financial Officer (CFO) meetings.

Additionally, **all** persons responsible for complying with statewide accounting policies and procedures are **required** to register on-line to the GAO web site to automatically obtain notification of new or changed accounting forms and policy documents. The publication to the web site is the official and often only means of notification. If you or someone on your staff ever have an accounting-related question and are not sure where to start or go to, please do not hesitate to contact our office at (602) 542-5601 or your GAO liaison.

### *As an agency head, could I be held personally liable for spending public monies?*

Yes. Public monies cannot be spent without legal authorization. **At a minimum, it is very important to be familiar with the following laws regarding the spending of public monies** (a listing of these statutes and their synopsis can be found on our web site): A.R.S. § 1-254, A.R.S. § 35-142.01, A.R.S. § 35-154, A. and B., § 35-196, §35-212, § 35-301, and the Arizona Constitution Article 9, Section 7.

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*What computer programs does GAO have available to help with accounting?*

GAO uses (or makes available) four different, but interrelated, programs for accounting. These are:

- **AFIS:** The Arizona Financial Information System (AFIS) is the official computerized accounting system and record of fiscal information for the State. All State agencies must process their accounting data in AFIS. An agency can get on-line access to enter data into AFIS, once the agency has set up its accounting structure on AFIS and staff have taken the AFIS courses. There are many agency accounting reports produced from AFIS, some of which are standard. Please contact your GAO liaison to help determine which are the best for your agency. The agency must provide and maintain the computer hardware and port at its own expense.
- **Control D:** Control D is a mainframe feature allowing free on-line viewing and remote printing of agency reports on both AFIS and HRMS. Control D-PC is available for a licensing fee and allows the agency to build custom reports on-line. Again, the agency must provide the necessary computer hardware including a printer and a sufficient operating system at its own expense.
- **HRMS:** The Human Resources Management System (HRMS) is a mainframe program maintained by GAO and CaMP. In addition to containing the personnel records of State employees, HRMS also accepts and processes the data on time and attendance needed to run payroll. As with the AFIS system, an agency can go on-line with HRMS after staff have obtained the required training. There are many agency personnel and payroll reports produced from HRMS, some of which are standard. Please contact your GAO or Human Resources liaison to help determine which are the best for your agency. The agency must maintain the necessary hardware and operating systems.
- **FAS:** The Fixed Asset System (FAS) is a subsystem of the AFIS system where agencies enter data on all capital assets (more than \$5,000) owned by State agencies. Agencies may use FAS or their own internal system to inventory non-capital assets (less than \$5,000). The FAS system calculates depreciation and satisfies the year-end inventory required by GAO.

If your agency does not have electronic access to AFIS or HRMS, you may enter into an Interagency Service Agreement with the CSB to process your accounting and payroll transactions for a fee.

*How can my agency get training to use these programs?*

Training for all GAO programs is offered through the Arizona Government University (AzGU). You may register for AFIS and HRMS training classes on-line at [www.wgu.edu](http://www.wgu.edu) or call the registrar at (602) 542-5604.

*How can I record accounting data for my agency in AFIS?*

First and foremost, the accounting structure of an agency must be set up on AFIS. How the structures are established depend upon your agency's applicable reporting requirements and controls. For example, the program structure is generally established according to how agencies submit their budgets. An agency may also set up an organization structure that may be based on the organization chart of the agency. Both types of structures are used to store and report financial information on state agencies. Your GAO liaison may assist you with any questions you may have relating to setting up or changing your agency's structures. A current listing of GAO liaisons can be found on our web site.

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Second, the agency must obtain AFIS application security to process accounting data up to and including obtaining Warrant Authorization Cards (WACs) to pick up vendor warrants. Please see the APPLICATIONS SECURITY section for more information.

Processing accounting transactions on AFIS requires appropriate knowledge and understanding of the State's accounting policies and procedures. The ADOA-GAO establishes these accounting policies and procedures, which can be found in the State of Arizona Accounting Manual. Because AFIS is a complex accounting system, the ADOA-GAO also publishes an AFIS Reference Guide. Both of these manuals can be found on our web site. It is highly recommended that persons involved in the processing of accounting transactions attend the AFIS training classes.

## STATE FISCAL YEAR

### *What is the State's fiscal year? Why is July called the "thirteenth month"?*

The State's fiscal year starts July 1 and ends the following June 30 (A.R.S. § 35-102). Your agency's appropriation for the new fiscal year is loaded, and the first allocation is available on July 1, the first month of each new fiscal year.

However, July also serves as the "thirteenth month" for the previous fiscal year, to give agencies and GAO time to wrap up the previous fiscal year's accounting records. During the 13<sup>th</sup> month, all accounting transactions for the previous year's activity should be processed on AFIS. While there are ways to process previous fiscal year's activity after the 13th month (called administrative adjustments), these require meeting A.R.S. §35-190 and A.R.S. §35-191 requirements and obtaining GAO approval before they can be processed.

### *How do I know what our agency should do to close the fiscal year?*

The GAO publishes a Fiscal Year Closing Instructions memorandum each March. These instructions include the final deadlines of various accounting related transactions. This memo is also posted on our web site.

### *Can I incur obligations after the close of the year?*

Not if your agency's appropriation lapses (defined below), unless your agency meets the legal requirements outlined in A.R.S. § 35-190 and § 35-191 and has obtained **prior** approval from the Director of the Department of Administration. Obligations may be incurred after the close of the year if the obligation is being paid from a continuing appropriation (defined below). If you have any questions about activities the agency may engage in after the year has closed, please contact your GAO liaison.

### *When does each month close on the State's accounting system for reporting purposes?*

Annually the GAO publishes a memorandum containing a schedule of the month-end closings. This memo is also posted on our web site. Generally, the month is closed on the first Friday after the first business day of the next month. This ranges from the 2<sup>nd</sup> to the 8<sup>th</sup>.

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## APPROPRIATIONS

### *What is an appropriation?*

An appropriation is the expenditure authority granted to a budget unit (“budget unit” is defined in the State of Arizona Accounting Manual as “any department, commission, board, institution, or other agency of the State organization receiving, expending, or disbursing funds or incurring obligations against the State) by the Legislature.

For accounting and financial reporting purposes, all expenditures authorized by the General Appropriations Act, Capital Outlay Appropriations Act or other appropriation acts are classified as appropriated expenditures.

### *What is a Lump Sum Appropriation?*

A lump sum appropriation is made for a stated purpose or for a named budget unit without specifying further the amounts that may be spent for specific activities or for particular objects of expenditure. A lump sum appropriation is the least restrictive legislative authorization that an agency may receive. Generally speaking, Capital Outlay appropriations are lump sum.

### *What is a Lump Sum Appropriation with Special Line Items?*

A lump sum appropriation with special line items is a lump sum appropriation provided by the Legislature that also contains specific expenditure/budgetary accounts that have been singled out through the appropriation process to provide high visibility for certain types of expenditures. Also known as lump sum appropriation with special below-the-line items.

### *What is a Modified Lump Sum Appropriation?*

A modified lump sum appropriation is a type in which payroll expenditures/expenses are appropriated by line item and all other operating expenditures/expenses are appropriated by lump sum. Typically, the breakdown is Personal Services, Employee Related Expenditures, and All Other Operating Expenditures.

### *What is a Line Item Operating Appropriation?*

A line item operating appropriation is an appropriation type in which all expenditures/expenses are broken into specific categories with limitations on the amount of expenditure that can be incurred for each. Typical categories are Personal Services, Employee Related Expenditures, Professional and Outside Services, Travel In-State, Travel Out-of-State, Food (if applicable), Other Operating Expenditures, and Equipment. This is the most restrictive of legislative appropriations.

### *What are the effective dates of appropriations?*

Being aware of the effective date of an appropriation act is very important, especially if it is for a new program or new appropriation for your agency. The effective date of an appropriation act depends on the type of appropriation - General, Capital Outlay or Other Appropriation. The General Appropriations Act generally has an effective date of July 1. The Capital Outlay Appropriations Act is generally

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effective July 1, or the date that the Governor signs the bill. Other Appropriation Acts are effective: 1) if there is an emergency clause, upon on the signature of the Governor, 2) immediately on two-thirds majority vote of the Legislature, or 3) if there is no emergency clause, 90 days after the legislative session adjourns, unless there is a delayed effective date specified in the bill. If you have any questions, please contact your GAO liaison.

*What is the difference between lapsing and continuing appropriations?*

Unless otherwise specified in the appropriation act, the authority for most appropriations that are unexpended or unencumbered on June 30, lapses. (“Lapse” means that the appropriation ends due to the passage of time.) This is called a “lapsing appropriation”. If the appropriation is exempt from lapsing, it is called a “continuing appropriation”. Per statute, appropriations for construction or permanent improvements do not lapse until the purpose is accomplished, abandoned, or there is no expenditure or encumbrance activity during a fiscal year. Otherwise, the Legislature retains for itself the authority to repeal continuing appropriations. A State agency can also voluntarily revert appropriations that are no longer necessary.

*What safeguards are in place to make sure my agency's spending does not exceed the amount appropriated?*

Your agency is responsible for reviewing, monitoring and controlling its internal budget to make sure it does not exceed amounts appropriated. In addition to your agency’s internal records, the GAO provides monthly reports to your agency to assist in this process: the Appropriation Activity Detail (DAFR7470) and the Appropriation Activity Summary (DAFR7480). Agencies are responsible for reconciling their internal records to the Statewide accounting system as it is the official record of the State. Finally, the agency head is personally responsible for accounts being correct. If your agency has any concerns of overspending, coordinate with the GAO, the Governor’s Office of Strategic Planning and Budgeting (OSPB) and the Joint Legislative Budget Committee (JLBC) as appropriate.

*As a self-supporting regulatory budget unit (e.g. 90/10 agency), can my agency legally expend more monies than are appropriated by the Legislature?*

No, unless otherwise provided by the Legislature, a special fund, self-supporting regulatory budget unit shall not expend more monies than are appropriated by the Legislature for a fiscal year. (A.R.S. §35-143.01, B)

*What do I do if I think my appropriation may not be sufficient to get through the entire fiscal year?*

Each month, the GAO furnishes each budget unit a report of its transactions by appropriation or other fund source in a form that clearly and accurately shows the fiscal activity and condition of such appropriation or fund source. The budget unit is responsible for monitoring these reports. If a deficiency is projected by the budget unit, it should immediately contact its GAO liaison for assistance. The responsible official for the budget unit will also be responsible for notifying the Governor, the Speaker of the House of Representatives, the President of the Senate and the Chairman of the Joint Legislative Budget Committee of the deficiency and reasons for the deficiency. Please see A.R.S. § 35-131, D and E for additional details.

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*What are and how can I request appropriation transfers?*

Appropriation transfers are used to move spending authority from one expenditure class or subclass to another or to transfer appropriations between or within programs. No transfer of any appropriation is made until a review and a recommendation for approval or disapproval is made by the Office of Strategic Planning and budget (OSPB). Once received and approval or disapproval is recommended by the OSPB, the designee of the Director of the Arizona Department of Administration (ADOA) grants approval or disapproval and processes the request. No transfer of appropriations from payroll expenditures/expenses (Personal Services and Employee Related Expenditures) may be made unless the transfer is recommended by the Joint Legislative Budget Committee (JLBC) and approved by the Director of the ADOA as designated. (A.R.S. § 35-173)

*If I have more cash than Appropriation, may I spend the extra money?*

No. Appropriations are the expenditure authority granted to a budget unit by the Legislature. Your budget unit cannot legally over-expend or over-extend an appropriation even though there is excess cash. Per A.R.S. § 1-254 and § 35-154, agencies do not have the authority to over-expend or over-obligate their appropriations. Any obligations in excess of a budget unit's appropriation authority are not binding on the State and are the responsibility of the party incurring the obligation (i.e. the agency director).

*If I have less cash than Appropriation, may I spend my complete appropriation?*

No, especially if you are a self-supporting, regulatory budget unit (i.e., 90/10 board). Your budget unit cannot spend an appropriation if there is not sufficient cash at any point in time. It is therefore very important for your agency to not only monitor expenditures made against your agency's appropriations, but also the cash received recorded with the State Treasurer's Office on a continuous basis. Actual cash flow for agencies vary from a steady monthly stream to possibly being non-existent for several months and steady for other months. You can monitor your cash balance on a daily basis on the Cash Control Summary Inquiry Screen, screen 57, on the Statewide accounting system or monthly via AFIS report DAFR 6390, General Ledger Activity.

*What is an encumbrance?*

An encumbrance is a reservation of funds in anticipation of an expenditure. An encumbrance reduces the available appropriation and the available allotment. An encumbrance document shall be processed in AFIS **before** a budget unit issues a purchase order to a vendor to cover an obligation against appropriations, actual or anticipated. Encumbrance documents are not required for gross payrolls and related employee expenses of a budget unit or under procedures prescribed in the State of Arizona Accounting Manual for expenditures not exceeding \$1,000. (A.R.S. § 35-151)

*What is an allotment? How is it different from an appropriation?*

Your appropriation is the total amount of money your agency (or budget unit) may spend in a given fiscal year. An allotment is that *portion* of your appropriation made available to spend within a given time frame, usually a fiscal quarter. At the beginning of each quarter, your agency is allotted about 25% of your total appropriation. However, to give agencies enough money to cover the annual

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“sweeps” for rent and insurance (risk management fees), the first quarter allotment is usually the highest. The money allotted accumulates over the fiscal year; if you don’t spend all of your first quarter allotment, you will have both that remaining money and the second quarter allotment to spend during the second quarter. No budget unit may over-spend its available (accumulated) allotment. If you think you need an advance on your allotment, contact both your OSPB and GAO liaisons for information on how to make that request.

To help keep track of your agency’s spending, refer to the AFIS report titled: Appropriation Activity Summary (DAFR7480), which shows expenditures compared to your agency’s appropriation.

If you have any questions or concerns regarding administrative adjustments, relief bill items, or any other appropriation related items, please contact your GAO liaison or our web site. For budget information, please see the OSPB section of this handbook.

## INTERNAL CONTROLS

### *What are internal controls and my responsibilities for maintaining internal controls for my agency?*

The management of the State is responsible for establishing and maintaining an internal control structure designed to provide reasonable assurance that: 1) the assets of the State are protected from loss, theft or misuse; and 2) adequate accounting data are compiled to allow for the preparation of financial statements.

The concept of reasonable assurance recognizes that: 1) the cost of the control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

The various internal control categories that agency management is responsible for maintaining are: general internal controls; cash and investments; inventories and fixed assets; purchasing, receiving and expenditures; leases and long-term debt; revenues; personnel and payroll, and Electronic Data Processing (EDP) application control. There are some additional internal control categories for receiving Federal financial assistance.

Management attitude is the best internal control. The risk of loss, theft or misuse is greatly increased with a lax management attitude. Internal controls should also be designed to mitigate risk. An effective system of internal controls will not eliminate all risk, that would be too inefficient. Such a system should, however, provide adequate safeguards to reasonably mitigate risk.

The State of Arizona Accounting Manual prescribes the specific control procedures that are to be followed for each of the above categories of Internal Control. It is also recognized that some of the internal control categories listed above do not apply to all agencies. For example, not all agencies collect revenue. However, each agency is required to follow the internal control procedures for the categories that it does have. If there are any questions, contact the ADOA-GAO.

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## APPLICATIONS SECURITY

*What are my agency's roles and responsibilities in maintaining security and internal controls as it relates to systems applications?*

Security is the joint responsibility of the agency and the Department of Administration. Agency management is responsible for maintaining proper internal controls. These controls must be in place to ensure the accuracy and integrity of the agency's financial information. Segregation of duties should be maintained to the extent possible. When this is not possible, the agency must have established alternative procedures to mitigate the risk of unauthorized transactions. These alternative procedures must be submitted in writing to the ADOA-GAO Security Group when access to the AFIS or HRMS applications is desired.

- Agency Security Administrator. The agency head must designate an individual to act as the agency's AFIS and/or HRMS security administrator to coordinate security issues with the GAO Security group and the agency's other security administrator if applicable.
- Signature Authorization. Each agency must provide form GAO-03 listing those individuals that the agency authorized to sign various types of documents. The form should be approved and signed by the agency head, and should be reviewed and updated on an annual basis. Please remember to make changes as appropriate (e.g., turnover, etc). In addition, each agency head must have on file at the GAO a letter of appointment from the Governor (or other applicable appointing individual/group).
- Warrant Authorization Cards (WAC). The WAC (also known as "gold card" because of its color) enables an employee to pick up warrants at the GAO. Applications must be approved by the agency head and sent to the GAO Security Group using form GAO-09 for each employee the agency authorizes. Other arrangements for warrant pickup, such as shuttle services or US mail may be arranged upon written request and acceptance of responsibility for loss by the agency head. The agency head may pick up warrants at any time without a WAC, provided his/her identity may be established through a valid picture identification card (such as State ID/key card or Arizona driver's license).

## PETTY CASH

*How can my agency obtain an imprest account (petty cash) or adjust it?*

To request a petty cash account or to make changes to an existing one, the agency must submit a "Request for Revolving Fund" form, GAO-33 to the GAO. A copy of this form may be found in the State of Arizona Accounting Manual which is also out on our web site.

*Can my agency use a Petty Cash fund for small expenditures?*

Yes. Petty Cash funds, a type of Revolving fund, are allowed by law. If your agency wants to establish a petty cash fund, review the requirements on our web site. Petty Cash funds must be managed according to strict guidelines. Contact your GAO liaison for help.

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## DEPOSITS

### *Where can my agency deposit cash receipts (cash, checks, money orders, etc.)?*

All monies received for and belonging to the State shall be promptly deposited with the State Treasurer. (A.R.S. § 35-142 and § 35-146) The Arizona State Treasurer's Office is located at 1700 West Washington, First Floor. Or, an agency may also arrange to make cash deposits with an off-site State-servicing bank (currently, the Bank of America). Check with the State Treasurer's Office for details and to confirm the servicing bank at (602) 542-5815.

### *What documentation do I need to submit with my agency's cash receipts with the State Treasurer's Office?*

If your agency makes its deposits with the State Treasurer's Office, they will require a completed Deposit with the State Treasurer form, deposit ticket, and all cash receipts. The deposit form information must already be input into AFIS (the State's accounting system) by your agency.

If your agency makes its deposits with an off-site State-servicing bank, after making the cash deposit the completed Deposit with the State Treasurer form and validated bank documents must be forwarded to the State Treasurer's Office. The completed Deposit with the State Treasurer form must already be input into AFIS by your agency.

The State Treasurer's Office will return a validated Deposit with the State Treasurer form to your agency to be retained by your agency. (A.R.S. § 35-147)

### *Can my agency accept other forms of payment other than cash, checks, money orders, etc?*

Yes, through a payment card. A payment card is a credit card, debit card, charge card, travel and entertainment card or any other similar method that can be used to make payments to the State. (It is not to be confused with a purchasing card, which can be used by certain employees to make purchases for the State. For purchasing card information, please see the State Procurement Office (AzSPO) section in this handbook.)

Acceptance of payment cards is a very complex system to set up and requires involvement and approval from the GAO, the State Treasurer's Office, and if web-based, the Government Information Technology Agency (GITA). Because the acceptance of payment cards has significant financial, accounting and technological ramifications, the State Treasurer, the State Comptroller and the Director of the GITA work together to assess whether the benefits of an agency's accepting payment cards outweigh the costs to the State. Contact your GAO liaison for the appropriate forms. Furthermore, a special bank account through which payment card activity will be processed and will be opened by the State Treasurer on behalf of the agency.

### *Can an agency enter into any sort of contract with any entity to accept or process payment cards without the permission of the State Treasurer?*

No. In fact, it is illegal to do so. (A.R.S. § 35-142, I.)

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*Does an agency have to prepare any special reports when it accepts payment cards?*

Yes. State law requires that certain payment card related information be reported to the Joint Legislative Budget Committee, the Office of Strategic Planning and Budgeting and the Government Information Technology Agency (GITA). State policy requires that this information be filed with the State Comptroller, as well. See A.R.S. § 35-142, K., and the GAO's Technical Bulletins for more details.

PAYMENT

*What is a warrant?*

A warrant looks like a check but is legally different. A warrant is an order drawn by the Director of the Department of Administration upon the State Treasurer directing the State Treasurer to pay a specified amount to the person named. Warrants are produced as a result of claims successfully passing various edits in the Statewide Accounting System; the Payroll System and other accounting systems such as Department of Economic Security Aid to Families and Dependent Children and Department of Revenue Tax Refunds.

*What are the types of vendor warrants?*

There are two types of warrants that result from vendor claims processed through the claims payable sub-system of the Statewide Accounting System. These two types are:

- Regular warrants are normally available the working day following the day a claim is processed on the Statewide Accounting System.
- Handwritten warrants which are produced manually, as opposed to a system generated warrant. Requests for handwritten warrants are reviewed and authorized on a case-by-case basis by the ADOA-GAO. Requests must be received by the GAO no later than 2:00 p.m. to process a vendor handwritten warrant for that day. See State of Arizona Accounting Manual for detailed procedures.

*How does my agency pay its vendors and outside service providers?*

First your agency must have the legal authority to make the payment. If your agency is paying a vendor – a person or business outside of State Government – you will need to have a warrant (check) processed through AFIS (please see AFIS description above for more information). A claim is used to initiate the payment process. The claim requires an authorized signature certifying that the expenditures are for a valid public purpose and are consistent with applicable statutes, laws, appropriations; and that there is sufficient appropriation and monies to pay the claim. Sufficient accounting detail is also required for accurate processing and to satisfy management reporting requirements. If the payment is for under \$1,000, your agency would process a claim on AFIS or contract with the CSB (defined above) to process it for your agency.

For payments of \$1,000 or more, your agency should first process an encumbrance on AFIS **before** placing an order for goods or services with the vendor. After you have received the goods or services, your agency would then complete the claim form using information from both the encumbrance form and the purchase order for processing on AFIS.

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If your agency is paying another State agency, you will file an Inter-agency transfer instead of a claim form. (see below)

*Can my agency make electronic versus warrant payments to vendors?*

Yes, through the ACH (Automated Clearing House) process. The ACH process is an alternative to issuing warrants to vendors. The Arizona Clearing House Association (ACHA) serves as the clearing house and processes electronic payments to the vendor's bank accounts. There are many benefits of converting payments made to vendors that are frequently paid from warrants to ACH payments. They include reducing operating costs by reducing manual payment processing; streamlining financial operations; eliminating possibility of mail and deposit delays; eliminating postage fees for mailing checks, and reducing the possibility of fraud. Information regarding the ACH process can be found on our web site, [www.gao.state.az.us](http://www.gao.state.az.us). You can also contact your GAO liaison to answer questions.

*What are Interfund Transfers?*

Interfund transfers (also known as "transfers" or "companion transactions") are reductions in the financial resources of the transferring fund accompanied by increases in the resources of the receiving fund. Although there is a variety of interfund transfers, one of the most commonly used is the quasi-external transaction whereby a State agency pays another State agency for a good or service via a transfer rather than a warrant. Some examples include: finger printing fees paid to the Department of Public Safety, fleet rentals paid to the ADOA, and lobbying fees paid to the Office of the Secretary of State.

*What do I do if a warrant is lost, forged or needs canceling?*

If a warrant is lost, forged or needs to be canceled, the State agency should immediately contact the following sections to receive special processing instructions:

- The ADOA-GAO-Arizona Warrant Reconciliation (AWR) section for vendor warrants, or
- The ADOA-GAO-Payroll section for payroll warrants.

## PAYROLL

*What is the Central Payroll Office?*

The Central Payroll Office of the GAO administers and reconciles the Statewide Payroll System known as the Human Resources Management System (HRMS). HRMS is a payroll and personnel maintenance application used by the majority of State agencies. Leave balances, employee information, tax information and an employee's Fair Labor Standards Act (FLSA) status are available. To obtain more payroll-related information, please refer to the Human Resources Management (HRMS) User's Guide, State of Arizona Accounting Manual, Section III, or contact the Statewide Payroll Manager at (602) 542-0370.

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*How do my agency's employees get paid?*

First, employees must be set up on the HRMS system through the agency's personnel office to get paid. For off-line agencies, please see the Capitol Mall Personnel Office (CAMP) section in this Handbook for further details. Time and attendance must then be input into HRMS when payroll is due (see next question for more information).

*How do I report time and attendance? When is that report due?*

Time and attendance is reported every two weeks, after the end of each pay period. Every two weeks, by 3:00 p.m. on the Tuesday after the end of a pay period, your agency must enter into HRMS a report of all leave time used by staff or if your agency has a CSB contract, deliver the paper report to GAO no later than 10:00 a.m. Monday for input. If there is a holiday during the pay week or pay period, the above deadlines are advanced a day. The State's payroll system is an "Exception Based" system. It assumes each staff person (except Board members) *works* all the hours required (usually 80 in each two-week pay period). Time and attendance reports, therefore, show "exceptions" when the employee did not work—when the person took annual leave, sick leave, or any other form of absence, including Leave Without Pay (LWOP). Board member hours worked must be input as the exception hours in HRMS for a payment to process.

Regardless of whether the staff person is merit (hourly) or exempt (salaried), all leave time must be reported. Records of time and attendance must also be kept at the agency level.

*What kinds of deductions can Central Payroll make from paychecks?*

Central Payroll automatically makes deductions for federal and state taxes, based on W-2 information entered into HRMS. Central Payroll also makes deductions for all State-sponsored benefits, such as health, medical, dental, optical, and life insurance. Payments to State retirement funds are also taken automatically. Court ordered garnishments are also done.

In addition, employees have the option of having deductions made for Bus Card payments, for contributions to the State Employees Charitable Contributions, and for tax-deferred plans including PEB-SCO, medical care and child care accounts. See A.R.S. § 38-612 for more information.

*When and where are payroll checks available?*

Payday for the State is on the Friday after the pay period ended. To expedite the distribution, payroll warrants and direct deposit advice receipts are usually available to be picked up by authorized agency personnel at the GAO office on Thursday afternoons after the pay period ended. Contact GAO for your agency's specific pick-up time. On rare occasions, payroll is not available until Friday. Central Payroll provides the warrants and advice slips in stacks, by agency. If an agency wants each warrant or advice slip in a separate envelope for distribution to employees, the agency must do that on its own.

*Is there a help network I can access should the need arise?*

HRMS offers an extensive customer help network. There is on-line help for each screen in the system. The HRMS Support Desk Team at (602) 542-2442 is available by phone 7:30 A.M. through 4:30 P.M., Monday through Friday. There is also an HRMS News Screen available which updates the User with current system changes.

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It is also highly recommended that persons involved in the processing of payroll transactions attend HRMS training classes offered by ADOA through the Arizona Government University (AzGU). Some of the classes are required before security access is granted to process transactions on HRMS. You may register for HRMS training classes on-line at: [www.wgu.edu](http://www.wgu.edu) or call the registrar at (602) 542-5604.

## TRAVEL

### *What do I need to know about State Travel?*

A great deal. The State Travel Policy is in the State of Arizona Accounting Manual, Section II-D. You may also view updates to the State's travel policy on our web site. You are encouraged to read the Policy in its entirety as it contains very important information regarding State travel and agency responsibilities. **It is highly recommended that the Agency head, employees who travel on State business, and employees who process travel claims attend at least one of the Travel Policy Classes that are held in the General Accounting Office each Tuesday, free of charge.** You may view and register for travel classes on our web site.

### *What are the responsibilities of the Director of any Agency, his/her designee, or the Agency Head relating to State Travel?*

- Approving all Out-of-State Travel requests
- Approving all Rental Vehicles
- Approving Out-of-State allowances for travel within 100 miles of the border
- Approving use of a State Vehicle for Out-of-State Travel
- Approving the use of a Private Vehicle for Out-of-State Travel

### *Can my agency make exceptions to the travel policies and procedures in the State of Arizona Accounting Manual?*

Only ADOA may make exceptions to the travel policies in the State of Arizona Accounting Manual. If your agency has a request for an exception to the travel policy, submit the request in writing explaining your request and justification to the State Comptroller at the ADOA-GAO.

## FIXED (CAPITAL) ASSETS

### *What is the difference between a capital asset and a non-capital asset?*

A capital asset is one that has a useful life of more than a year and a cost of \$5,000 or more. Non-capital assets also have lives that are greater than a year, but they cost less than \$5,000. Capital and non-capital assets are sometimes referred to as fixed assets. The cost of a capital asset is written off,

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or depreciated, over the estimated useful life of the asset. The cost of a non-capital asset is treated as an expense in the year acquired. While capital and non-capital assets receive different accounting treatments, they both impose a duty of stewardship upon agency management.

*What is an agency director's responsibility relating to fixed assets?*

All agency directors are responsible for the safeguarding and stewardship of the State's capital and non-capital assets. Stewardship requires that certain steps be taken to protect State assets from damage or theft. For example, lists of both capital and non-capital assets must be maintained and are subject to periodic audit.

*How often does my agency have to report its Fixed Asset Inventory?*

Fixed Asset Inventories are due at the close of each fiscal year. However, your agency should be keeping its Fixed Asset Inventory up-to-date at all times. If you are using the Fixed Asset System (FAS), GAO will simply take the available information when they need data on capital equipment inventories. If your agency keeps its inventory on another system, the report is due as part of the Fiscal Year End Closing package. Agencies have the choice to maintain the inventory for their non-capital equipment on their own internal inventory system or on the FAS.

**CLOSING NOTE:**

In summary, there are many statutes and rules for which your agency management is responsible for. We have attempted to convey most of the key rules you should be aware of in the above sections, however encourage you to visit our web site at [www.gao.state.az.us](http://www.gao.state.az.us) for a more expanded (yet summarized) version of your fiscal responsibilities. Your agency's CFO should also be well acquainted with your agency's enabling statutes, A.R.S. Title 35, and the policies and procedures in the State of Arizona Accounting Manual, GAO Technical Bulletins, and AFIS Reference Guide. Updated information can be obtained via attending the monthly CFO meetings hosted by the GAO or visiting our web site. We strongly encourage that key accounting staff attend all applicable training classes offered for AFIS, HRMS, and State travel. Registration for training can be made at [www.wgu.edu](http://www.wgu.edu) or call the registrar at (602) 542-5604. If you or someone on your staff ever have an accounting-related question and are not sure where to start or go to, please do not hesitate to contact our office at (602) 542-5601 or your GAO liaison. We are here to help you!

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## Governor's Regulatory Review Council (GRRC)

### *What does GRRC do?*

The staff of the Governor's Regulatory Review Council assists agencies to comply with the rulemaking provisions of the Arizona Administrative Procedure Act. (A.R.S. § 41-1001 *et seq.*) Specifically, staff's statutory responsibilities include:

- Reviewing rule packages for compliance with the standards at A.R.S. § 41-1052(C) and (D).
- Reviewing five-year-review reports for compliance with the standards at A.R.S. § 41-1056.
- Receiving annual reports from state agencies regarding substantive policy statement directories, five-year-review report progress, and time-frame rule compliance.

### *How much do GRRC staff services cost?*

GRRC is funded by the legislature through the general fund. All of its services are provided at no cost to state agencies.

## RULEMAKING

### *What is the Arizona Administrative Procedure Act (APA) about?*

The APA provides procedures that an agency must follow in making rules and handling appeals of agency decisions.

### *Do all agencies have to make rules?*

An agency may make rules only if the legislature has given it authority to do so. To determine whether your agency has rulemaking authority, check the statute that identifies the powers and duties of the agency. An agency can make rules only that are within the boundaries of the authority granted by the legislature. Check your agency's statutes for the subjects on which it must make rules.

### *When must an agency make a rule?*

- When the legislature says that it must.
- When the agency decides to exercise discretion that the legislature says can be exercised only if the agency makes a rule.
- When the agency decides to exercise discretion that the legislature provided.
- When the agency needs a rule to accomplish something that is within the scope of its authority.
- When the agency issues licenses.
- When the agency charges a fee.
- When the agency has procedures that are available to the public.

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### *What law relates to an agency's rulemaking?*

- The agency's organic statutes. These are the statutes that create the agency and establish its scope of power.
- The Arizona Administrative Procedure Act (See A.R.S. § 41-1001 *et seq.*)
- Rules of the Governor's Regulatory Review Council (See A.A.C. Title 1, Chapter 6)
- Rules of the Secretary of State. (See A.A.C. Title 1, Chapter 1)

*Note: Each of these sources of rulemaking law changes often. At every stage in a rulemaking, make certain you are using the most recent version of the law.*

### *What is a rulemaking record?*

A.R.S. § 41-1029 requires an agency to maintain an official record of every rulemaking and to make the record available to the public. The statute tells you what must be included in the rulemaking record. If there is ever a court challenge to the agency's rule, the rulemaking record is the record on which the agency will rely. An agency should keep all of its rulemaking records FOREVER.

### *What is a courtesy review?*

By law, an agency has only to submit its final rule package to GRRC for review and action. However, GRRC staff is willing to review an agency's rule package before the agency puts it into final form. This is called a courtesy review. Agencies do not have to submit their rule packages for courtesy review but agencies and GRRC staff have found that doing so makes the final review process easier. A courtesy review is most useful when done before the agency publishes its rules in proposed form. Because GRRC staff is able to do courtesy reviews only as time permits, an agency should allow about two months for a courtesy review.

## FIVE-YEAR-REVIEW REPORTS

### *What is a five-year-review report?*

A.R.S. § 41-1056 requires an agency to review its rules every five years to determine whether the rules need to be amended or repealed. After doing this review, the agency is required to submit a report of its findings to GRRC, which will approve the report or return it to the agency for additional work.

### *How does an agency know when to do its five-year-review report?*

GRRC staff maintains a five-year calendar of when each agency must submit its report. This calendar is provided to every agency head when the information relative to the agency changes. Part of the calendar is published in the Arizona Administrative Register and on GRRC's web site at [www.grrc.state.az.us](http://www.grrc.state.az.us). Each agency head will receive a reminder notice 90 days before the agency's five-year-review report is due.

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*How will GRRC know whether an agency completes the course of action planned in its 5YRR?*

By June 30 of each year, all agencies must report to GRRC on their progress toward completing the courses of action established in their five-year-review reports (See A.R.S. 41-1056(H)). GRRC includes this information in its annual report to the Governor and legislature. GRRC also knows whether an agency implements its course of action because all rulemakings submitted to GRRC for approval are compared with previously submitted five-year-review reports.

*What happens if an agency does not do its five-year-review report?*

Under A.R.S. § 41-1056(E), rules that are not reviewed when scheduled expire and cannot be enforced. If rules expire, they can be reestablished only by going through the rulemaking process.

*Can an agency get an extension for doing its five-year-review report?*

A.R.S. § 41-1056(D) allows an agency to file an extension with GRRC for a 120-day extension. The extension must be filed before the five-year-review report is due. If the agency files an extension and then fails to submit the five-year-review report within the extension period, the rules scheduled for review expire.

*What does an agency have to do after GRRC approves the agency's five-year-review report?*

In the report, the agency will indicate which rules need to be amended or repealed and the date by which the agency expects to submit the needed rulemaking to GRRC. After the report is approved by GRRC, the agency must do the rulemaking the review indicated was needed.

*What does an agency do with public comments about its rules?*

A.R.S. § 41-1056(A)(2) requires that an agency include in its five-year-review report a concise analysis of written criticisms received during the previous five years. This means that the agency must save all written comments about its rules so it will be able to analyze the comments in its five-year-review report.

## ANNUAL REPORTS DUE TO GRRC

*What is a substantive policy statement directory?*

A.R.S. § 41-1091 requires all agencies to maintain and update annually a directory that summarizes the subject matter of all currently applicable rules and substantive policy statements. Both “rule” and “substantive policy statement” are defined at A.R.S. § 41-1001. The directory, rules, substantive policy statements, and any materials incorporated by reference must be open to the public at the office of the agency director.

*What is a licensing time-frame?*

If an agency issues licenses, as defined at A.R.S. § 41-1001, it is required by A.R.S. § 41-1073 to establish, by rule, time-frames within which it will act upon an application for a license. Check your agency’s rules to determine whether it has a time-frame rule.

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*How does a licensing time-frame affect an agency?*

If an agency fails to act upon an application within the time-frame, A.R.S. § 41-1077 requires that the agency refund the applicant's fees, forgive any unpaid fees, and pay a penalty for each additional month until the application is acted upon.

*Who tracks whether an agency complies with these requirements?*

An agency is required to report to GRRC annually on its compliance with these requirements. Each agency makes the following annual reports to GRRC:

- Substantive policy statement directory certification (due June 30)
- Five-year-review report progress report (due June 30)
- Time-frame rule compliance report (due September 1).

GRRC includes a summary of agency compliance with these requirements in the annual report that it submits to the governor and legislature.

*How does an agency learn more about these annual reports?*

Copies of the forms to use for the five-year-review report progress report and the time-frame rule compliance report are on GRRC's web site at [www.grrc.state.az.us](http://www.grrc.state.az.us) or may be obtained by calling GRRC's office. In April of each year, GRRC staff provides a seminar that teaches how to complete these reports. Call the office to register. GRRC staff will send a reminder notice to the agency head about 90 days before each annual report is due.

*How does an agency get help with these responsibilities?*

GRRC staff will be happy to answer your questions. Staff also provide monthly seminars on rulemaking, completing a five-year-review report, and preparing an economic impact statement. Your agency head will be notified about the dates of these seminars. You can also learn the dates of the seminars by calling the office or checking GRRC's web site.

Most agencies do their own rulemaking. One does not have to be an attorney or a professional rule writer to do a rulemaking. However, some agencies hire a professional rule writer to help them. GRRC staff can tell you the names of rule writers on State contract who do rulemaking.

Help with rule writing is also available from the Office of the Secretary of State and the Arizona Rule-writers' Consortium. The Office of the Secretary of State publishes a rule writing manual. Make certain that your agency has a copy before beginning a rulemaking.

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## Information Services Division (ISD)

### *What does ISD do?*

The Information Services Division (ISD) is the information technology arm of ADOA providing data processing, data communications and telephone systems and services. ISD provides data processing capabilities on mainframe and mid-range equipment along with access security on these systems. Web hosting is provided as well as e-mail accounts. Telephone services are maintained on the Phoenix and Tucson government malls as well as data telecommunications.

### *How do I purchase computers and software?*

Although ISD is responsible for providing the services and means of communication, the selection and purchase of equipment remains the responsibility of your agency. The Government Information Technology Agency (GITA) oversees the standards for equipment and can assist in this area. The Arizona State Procurement Office (AzSPO), a section of ADOA, can guide you through the correct vendor selection process in the purchase of the equipment. See Section IV for AzSPO contact information.

### *How do I get a web site set up?*

ISD provides a host server location for your web site. To acquire space, complete the application that can be found at the ISD Security web site at [www.security.state.az.us](http://www.security.state.az.us) or call (602) 542-2118. For information regarding the State's web portal for conducting state business transactions over the Internet, contact the Government Information Technology Agency (GITA) at the phone number listed in Section IV.

### *How do I get e-mail?*

ISD supports Post Office Protocol (POP) e-mail accounts. Complete an application found at the ISD Security web site at [www.security.state.az.us](http://www.security.state.az.us) or call (602) 542-2118.

### *What telephone services does ISD provide?*

Telephone services cover a wide array of capabilities in two core sites located on the Phoenix Capitol Mall and Tucson state office complex. Some of these services include:

- Trunk lines, telephone equipment, wiring and cabling
- Long distance access and 800 services
- Voice messaging and interactive voice response systems
- Automated call distribution systems
- Remote call center telephone equipment
- TDD access
- Teleconferencing and attendant-controlled conferences

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*How do I find out the rates for these services?*

A rate table is available on the Internet, located at [www.ats.state.az.us](http://www.ats.state.az.us). If you do not have Internet access, a copy of the rates can be obtained from ISD Customer Care Section by calling (602) 542-2118.

*What kinds of data processing capabilities are available?*

There are two types of computing services available for agencies:

- Host MVS mainframe computer running applications such as the statewide payroll and accounting systems. These types of services are generally utilized by and supported by large agencies.
- Mid-range platform providing computing services for mid-size and small agencies that may need assistance with applications for issuing licenses and/or collecting fees.

ISD has the ability to provide computer services to any agency that may have a need. It should be noted, however, that funding for ISD is generated from the fees for services. ISD also provides analyst staff available to assist in determining the best fit of services for your agency's needs. Call the ISD Customer Care number located in Section IV for assistance.

*What telecommunications services are furnished?*

The telecommunications section is able to provide services from a simple, single line telephone to complex call centers for tracking and managing large volumes of incoming calls. State-of-the-art fiber optic telephonic service is used to connect the Phoenix Capitol Mall and Tucson office complex as well as circuits covering many of the outlying state offices throughout Arizona.

*What is WAN and what does it do?*

If your agency has offices located at remote sites, the Wide Area Network (WAN) enables the offices to transfer data through high-speed fiber optic networks. Having the equipment necessary to maintain such a network and keep it running is the responsibility of the WAN engineers, who continuously monitor the system to assure its efficient functionality.

The Telecommunications WAN group also maintains the State's Internet operation, hosts the State's web site and supports the State Internet Domain Name ([state.az.us](http://state.az.us)).

*What kinds of data security procedures are available?*

- User accesses to computers, computer networks and business applications.
- Internet and Internet e-mail access.
- Investigation of computer abuse and unauthorized access to computers, networks, Internet and business applications.
- Planning and support to State agencies, boards and commissions in their efforts to resume operations after a service interruption.

*How do I find out more about these services and whom should I contact?*

You are not expected to know all the technical details, that is why ISD provides a Customer Care section to assist customers with evaluating what is needed and to answer questions about any of the services performed by the division. You can contact a representative at (602) 542-2118.

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## Risk Management (RM)

### *What does Risk Management do?*

Risk Management was established in 1976 to provide insurance coverage to state agencies and employees for property, liability and workers' compensation losses in accordance with the statutory provisions found in ARS §41-621 through §41-625. Risk Management does this by work in four units:

- Finance and Insurance Unit: Evaluates the State's potential losses, then protects the State either by self-insuring, or by purchasing insurance from commercial carriers.
- Property & Liability and Claims Unit: Evaluates, investigates, negotiates and settles claims, demands, and law suits against the State and State agencies
- Loss Prevention Unit: Strengthens agencies' loss prevention programs by offering expert consultation and training opportunities
- Worker's Compensation Unit: Oversees payments of benefits to State employees and other covered employees and volunteers who are injured while working.

### *What (and who) is covered by the State's Insurance Program?*

Arizona statutes (A.R.S. §41-621 through § 41-625) require that Risk Management provide insurance or self-insurance for the following:

- All state-owned buildings, including those of the three state universities
- All property owned by the state
- All officers, agents and employees of the state, including Board and Commission members, against liability for acts or omissions of any nature while acting in authorized governmental or proprietary capacities, except as prescribed by statute
- Workers' compensation injuries of state employees, and
- Environmental damage and health threats associated with state-owned/operated property and facilities

### *How do agencies pay for Risk Management's coverage and services?*

Risk Management evaluates the kinds of activity each agency is required to perform, and the agency's history of claims to determine the fee the agency will be assessed. In the summer of each odd-numbered year, Risk Management informs agencies by letter of the fees that will be assessed for the next two fiscal years, so the agency can use it in developing the budget request.

The Risk Management annual fees are then taken from each agency's fund during the first week of each fiscal year. This is part of what GAO calls the "sweep" (see page 13 for more information).

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*Are volunteers covered under the State's insurance?*

Volunteers who act at the direction of state officials and within the course and scope of their state authorized activities may receive the same coverage as employees. If your agency uses volunteers (non-Board members) to serve on committees that review applicants, write, give, or grade examinations, or screen complaints, check with Risk Management to determine if they are covered. Volunteers also may be covered for workers' compensation if they meet the criteria set forth in A.R.S. §23-901.

*What coverage is provided for automobiles?*

- State vehicles: Coverage is provided to state employees when driving state vehicles within the course and scope of their employment and authorization.
- Private vehicles: Liability coverage is provided on an excess basis for private vehicles driven within the course and scope of their employment and authorization. Physical damage (to vehicle) is *not* covered.
- Leased/rented vehicles: neither liability insurance coverage nor collision damage waivers should be purchased. Specific information defining the course and scope of employment while using a motor vehicle is provided in A.A.C., Title 2, Chapter 10, Article 1.

*Is employee-owned property covered?*

Employee-owned property used at work, or for work, is generally *not* covered. This includes vehicles (see question above).

*What is a "claim" as Risk Management uses the term?*

A claim is any demand for payment made by a State employee, member of the public, or business, to compensate for damage the State (or an agency or employee) has done. That damage may be to property, or may be personal injury arising from an action or decision the State or an agency made (liability). The claim may come in the form of a demand letter from the injured person or his or her attorney, or may be stated in a law suit.

*What forms are available to file a claim?*

Separate loss report forms are available for auto accidents, property losses and liability claims (other than auto related losses). Forms may be obtained by contacting the Claims Unit at 542-2180.

*How do I report a claim made for damaged property?*

All losses should be reported as soon as possible to Risk Management at 542-2180. Agencies should report significant property damages within *1 day* if damages are expected to exceed \$10,000. All other losses should be reported as soon as possible, but no longer than *10 days* after the incident occurs. If a property loss is not properly documented by the agency within 1 year, coverage may not be provided.

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### *How do I report claim made for liability arising from a decision or action of the agency?*

All situations involving potential or actual claims should be reported as soon as possible to Risk Management at 542-2180. Agencies should report all liability claims within *1 day* if there is bodily injury or if damage is expected to exceed \$10,000. All other liability claims are to be reported within *10 days*.

### *What if there are charges of discrimination?*

A copy of all charges filed with the Equal Employment Opportunity Commission (EEOC) or the Arizona Civil Rights Division of the Attorneys' General Office (ACRD), are to be forwarded to Risk Management. The copy needs to be sent even if there is no demand for money included.

### *Who defends my agency if a liability law suit is filed?*

The majority of lawsuits covered under Risk Management are defended by the Office of the Attorney General. The Assistant Attorney General assigned to the case will be someone other than the Asst. Attorney General who routinely represents your Board, Commission, or agency. However, the two Asst. Attorneys General will coordinate the handling of the case. In certain circumstances, outside counsel will be hired to represent the interest of the state. The decision to hire outside counsel is made by Risk Management, not the agency.

### *How can Risk Management help my agency prevent losses from claims?*

The Loss Prevention Unit in Risk Management provides Loss Prevention Consultants, Industrial Hygienists, Environmental Specialists and Training Officers to assist agencies in developing and implementing loss prevention programs. The consultant can also provide assistance in solving everyday loss prevention problems. In addition, there is a Grant Program available to fund programs that prevent loss exposures in state agencies.

### *What training classes are available?*

Risk Management offers courses through the Loss Prevention Safety Academy that address safety and loss prevention issues. A schedule is available by calling 542-1419. Risk Management maintains a video lending library with an emphasis on safety-related topics.

### *What should I do if an employee is injured or killed while working?*

- Attend to the injured worker immediately and arrange for necessary medical attention. If the injury is serious, call 911.
- Call the Early Notification phone line at 542-WORK or (800) 837-8583. Any fatality must be reported *immediately*.
- If a fatality, also notify the State Occupational Health and Safety Office (OSHA) in the Industrial Commission (542-5795).
- Accompany the injured worker to the doctor if he/she is unable to drive.

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- Obtain information about the incident or injury and fill out the Supervisor's Report of Industrial Injury or agency specified report of injury form.
  - List and interview all witnesses.
  - Examine the area of the accident, and secure any equipment, machines or vehicles, etc., for investigation and recovery purposes.
  - If there is any reason to doubt the validity of a claim, provide information to Risk Management.
  - If information disproving the validity of a claim or extent of the injury is discovered at a later date, report it immediately to Risk Management.
  - Maintain contact with the injured worker.
  - Contact Risk Management with any questions.

Always look for ways to prevent this and other incidents from happening and advise your loss prevention coordinator.

#### *What reports have to be filed in case of an injury or fatality?*

At the agency, make sure you have the following reports filed:

- All incidents of work-related injuries must be documented on a "Supervisors Report of Industrial Injury" form or the agency specified form for reporting injuries.
- All incidents must be recorded on the agency OSHA log.

Make sure the following reports (written or verbal) are made to Risk Management:

- If the injured worker seeks medical treatment, an "Employer's Report of Industrial Injury" form must be filed with Risk Management within 10 days. Risk Management must receive report of the claim within 10 days of the supervisor becoming aware of the intention to seek medical treatment.
- Injuries requiring medical treatment may also be reported to Risk Management through the Early Notification telephone line by dialing 542-WORK or (800) 837-8583.
- Any fatality must be reported *immediately* to Risk Management.

Other reports that must be filed are:

- Any fatality must be reported *immediately* to the state OSHA Office (542-5795)
- The injured worker should complete the top portion of the "Worker's & Physicians Report of Industry (Form 102)" made available by the initial provider of medical treatment.
- The medical provider is required by law to file a copy of the form with the Industrial Commission and Risk Management.

#### *What benefits are covered by workers' compensation?*

Wage loss benefits are payable at 66 2/3% of the injured worker's gross monthly salary, up to a maximum of \$2,100 per month. Wage loss benefits are payable at 66 2/3% of the average monthly wage per month and payable every 14 or 30 days, depending on the type of disability. No wage loss benefit is payable for the first 7 days, if total time lost is less than 13 calendar days. This waiting period oc-

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curs only once during a claim. If a claim has been accepted, authorized medical treatment is paid pursuant to the Arizona Fee Schedule with no out-of-pocket expenses on behalf of the employee.

*What should my agency do when the injured employee is ready to return to work?*

- Request a doctor's release before permitting a return to work.
- Contact Risk Management with the date the employee is to return. This is to prevent potential overpayment of benefits.
- If the employee is released to modified work duties, review any limitations with the employee. Make certain you have specific work limitations from the employee's physician.
- Be sure to review the agency modified duty policy. A copy can be obtained from the Human Resource division of your agency.
- If you have any questions regarding limitations, accommodations, or the employee's work schedule, call Risk Management.

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## Arizona State Procurement Office (AzSPO)

### *What does AzSPO do?*

The Director of ADOA is granted explicit procurement authority by law. The Director has delegated that authority to the Arizona State Procurement Office (AzSPO). AzSPO may re-delegate procurement authority levels to state agencies. AzSPO is governed by the state procurement code to solicit and award contracts for State agencies and various other government entities throughout Arizona to purchase goods and services.

### *What is the Arizona Procurement Code?*

The Arizona Procurement Code consists of the statutes (A.R.S. Chapter 23, §41-2501 *et. seq.*), the promulgated rules (R2-7-101 through R2-7-1009), and the Uniform Commercial Code (UCC) which governs standard business transactions not specifically addressed in contracts.

### *What does "delegated authority" mean?*

Each State agency is granted a certain dollar level of procurement authority via letter from the State Procurement Administrator's Office in AzSPO. This is referred to as Limited or Unlimited authority. AzSPO grants the level of authority based on the experience, expertise and needs of each agency. Agencies with full authority may make purchases of any type and amount without prior authorization of AzSPO. These letters are updated annually and when staff changes occur at the Director and Procurement Officer levels within your agency.

### *How do I find out what is on state contract?*

Check the State Procurement Office web site at [www.sporas.ad.state.az.us](http://www.sporas.ad.state.az.us). If you cannot find it on the web site, please call (602) 542-5511.

### *What is a State Contract?*

A State Contract or Statewide Contract is a contract established by AzSPO or one of the Agencies with Unlimited delegation for statewide use. These contracts are for common use items such as office supplies, metal and modular furniture, vehicles, copy machines and temporary labor services, etc.

### *Do I have to purchase from State contract?*

Yes, if there is a State contract that meets your needs. A.R.S. §41-2501; R2-7-311 requires State government units to use existing Arizona State contracts. If the contract cannot satisfy the need, request approval on a AzSPO form 150 in accordance with delegated procurement authority.

### *Who approves the AzSPO Form 150 request for off-contract purchase?*

The form is submitted to the State Procurement Office for approval prior to the purchase.

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*Where can I find a SPO Form 150?*

Visit the State Procurement Office web site: [www.sporas.ad.state.az.us](http://www.sporas.ad.state.az.us).

*When do I have to get quotes?*

You must obtain three verbal quotes for solicitations over \$1,000 and up to \$5,000. You must obtain three written quotes for solicitations of between \$5,000 and \$10,000. For purchase of from \$10,000 to \$35,000, use a FOD. These are all informal or small dollar purchases. Solicitations in excess of \$35,000 require formal methods: Request For Proposal (RFP) or Invitation For Bid (IFB).

*What is a FOD?*

FOD stands for Fax on Demand. This is the required vendor selection method for solicitations from \$10,000 to \$35,000. The method uses AZFACTS, the Arizona Fax on Demand System that allows vendors to retrieve copies of solicitations via their fax machines. The AZFACTS numbers are (602)542-2050 for Maricopa County, or (800)873-6429 for the balance of the State.

*What is the threshold for competitive (formal) bids and proposals?*

Pursuant to SB 1406, effective July 18, 2000, A.R.S. §41-2535(A) states “any procurement which does not exceed the aggregate amount of thirty-five thousand dollar may be made in accordance with rules adopted by the director (of ADOA, such authority delegated to the Manager of SPO) except that the procurement shall be made with such competition as is practicable under the circumstances.” Note: The small business set aside remains at \$25,000.

*What circumstances dictate that a state agency shall solicit quotes from and award to small businesses?*

All purchases estimated to cost less than \$25,000 shall be purchased from small businesses. Should the small business not meet the needs of your agency please seek out assistance from the State Procurement Office.

*What is the procurement definition of a small business?*

An independently owned and operated business that has either fewer than 100 employees, or gross annual receipts less than four million dollars.

*What circumstances dictate that State agencies solicit at least one bid or quote from a woman or minority owned business?*

Any procurement between \$1,000 and \$25,000.

*When do I have to issue a purchase order?*

When you have completed your selection of a vendor and want to encumber the funds with which the vendor will be paid, and inform the vendor of authority to perform.

*How does a vendor signify acceptance of a purchase order (PO)?*

By performance.

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*What is a P-card?*

A statewide program, subject to specific agency policy and procedures. For more details on the P-card, contact AzSPO at (602) 542-5511.

*What is a fixed price contract?*

A fixed price contract indicates that a set price has been agreed upon for each commodity or services provided under the agreement.

*What is an itemized service budget?*

This is a budget with specific line items. It is used to negotiate, report and pay on cost reimbursement contracts and as a basis for negotiations and level of effort analysis for fixed price contracts.

*Why can't I award a cost plus percentage-of-cost contract?*

The Arizona Procurement Code specifically prohibits it. This type of contract has no incentive for contractor to control costs – in fact, it encourages the contractor to enlarge expenses, because the more he spends the more he pockets.

*What is a Vendor Performance Report?*

A form that replaced the Vendor Deficiency Report to gain both positive and negative baseline and on-going data about state vendors. The form is available on the State Procurement Office web site at [www.sporas.ad.state.az.us](http://www.sporas.ad.state.az.us). If you cannot find it on the web site, please call (602) 542-5511.

*Who does a vendor contact to register to do business with the State?*

Any vendor wanting to register to conduct business with the State is invited to contact the Arizona State Procurement Office (AzSPO) in one of the following ways:

- Register on-line at [www.sporas.ad.state.az.us](http://www.sporas.ad.state.az.us)
- Call the office at: (602)542-5511
- Send a fax to: (602)542-5508
- Visit the office at 15 South 15<sup>th</sup> Avenue, Phoenix, AZ 85007

*True or False: It is important that only the buyer or contract manager involved in a procurement transaction adhere to high ethical standards and be concerned with the public perception about conflict of interest and other issues of good conduct.*

False: All State employees who are involved in any way with procurement, solicitation or contract activities should adhere to high ethical standards in their dealing with offerors and contractors, and concern themselves with the perception of fairness and credibility. If there could be the perception of a conflict of interest please contact the AzSPO office.

*How do I increase my knowledge and expand my skills as a government procurement professional in Arizona?*

Enroll in and attend the AzSPO Institute Procurement Classes by calling (602) 542-5511 for information.

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### III. FREQUENTLY ASKED QUESTIONS: NON-ADOA UNITS

#### Government Information Technology Agency (GITA)

*What does GITA do?*

GITA has broad authority for statewide information technology (IT) planning, oversight, coordinating, and consulting. To do this, GITA's responsibilities include:

- Evaluating and approving an agency's Annual Agency Information Technology (IT) Plan.
- Maintaining an agency's IT inventory through the Information Services Inventory System (ISIS).
- Approving an agency's Project Investment Justification (PIJ), which is submitted for IT projects with development and equipment costs exceeding \$25,000.
- Establishing standards for information technology through the Policies, Standards, and Procedures Program (PSP).
- Directing a number of special projects, such as the web portal, e-payments, and Arizona Regulatory Licensing Services (ARLS).

*Who is required to submit IT Plans and PIJs and to participate in the IT inventory?*

All executive branch agencies.

*Is there a fee for GITA's services?*

All assistance provided by GITA is free of charge.

*How can an agency get help with IT planning?*

An agency can contact GITA at (602) 340-8538 and request one-on-one assistance. GITA also offers training sessions every June for the Annual Agency IT Plan (PARIS), with alternative dates available upon request, and PIJ and ISIS training upon request.

*What is the difference between GITA and ADOA Information Services Division (ISD)?*

GITA is an IT oversight agency, while ISD provides IT service delivery. In other words, GITA sets IT direction; ISD provides implementation.

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## ANNUAL AGENCY INFORMATION TECHNOLOGY (IT) PLAN

### *How does an agency submit its Annual Agency IT Plan?*

An agency submits its Annual Agency IT Plan on an Internet web site called the Planning Application for Reporting Information Technology Strategy (PARIS). PARIS and all planning materials are located at [www.gita.state.az.us/apps](http://www.gita.state.az.us/apps). To receive or update your agency's user names and passwords, contact GITA.

### *How does an agency with no access to the Internet complete the Annual Agency IT Plan?*

An agency can submit its IT Plan in digital format produced on a word processing program such as MS Word or WordPerfect, as long as the submitted plan follows the IT Planning Guidelines. The IT Planning Guidelines are available upon request. However, an agency should notify GITA if it does not have access to the Internet and, as a result, plans to submit its IT Plan in digital copy form in order to ensure the necessary information is provided.

### *When does an agency have to submit an Annual Agency IT Plan?*

An agency must submit the Annual Agency IT Plan by September 1 of every year.

### *What happens if an agency doesn't submit the Annual Agency IT Plan on time, or submit one at all?*

GITA can withhold approval of an agency's PIJ, if an agency has submitted one.

### *Does an agency have to complete any additional requirements along with the IT Plan?*

An agency must complete an IT Security Risk Assessment along with the IT Plan. An agency needs to develop goals, objectives, and performance measures to address the IT vulnerabilities identified in the risk assessment. The assessment tool can be obtained at [www.gita.state.az.us/apps](http://www.gita.state.az.us/apps). For an agency with no Internet access, GITA will send the assessment forms upon request. Approval of the IT Plan is contingent upon completion of the Security Risk Assessment.

## INFORMATION SERVICES INVENTORY SYSTEM (ISIS)

### *What is ISIS?*

ISIS is used to maintain the State's IT inventory. It is a perpetual IT inventory where an agency can upload and update its IT inventory. ISIS and inventory materials are located at [www.gita.state.az.us/apps](http://www.gita.state.az.us/apps). To receive or update your agency's user names and passwords, contact GITA.

### *How does an agency with no access to the Internet submit its IT inventory?*

An agency can submit its IT inventory in digital format, such as a spreadsheet (e.g., Excel, Lotus). Contact GITA for the possible formats. The agency, when using this alternative method of submittal, should contact GITA beforehand to ensure the necessary information is provided.

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*When does an agency have to submit its IT inventory?*

An agency should keep its IT inventory up-to-date on a continuous basis. Although the inventory is to be constantly updated, GITA publishes an annual IT inventory report with data from the system as of August 15, 2001. Agencies need to have their inventory data up-to-date at this time. The annual report is available online and in hardcopy form.

*Does an agency have to count monitors for the IT inventory?*

No. Each PC is assumed to have a monitor, keyboard, and mouse in addition to the CPU drive unit.

*Does an agency that has its own IT inventory system have to type all the information into ISIS too?*

No. Contact GITA for instructions on how to upload your inventory data into ISIS.

*Does an agency have to report IT equipment purchased using federal money for the IT inventory?*

Yes. The statute says that GITA must count all IT assets owned, leased, or employed in the state.

## PROJECT INVESTMENT JUSTIFICATION (PIJ)

*What is a PIJ?*

The Project Investment Justification (PIJ) is the State standard for IT project definition, review, and approval by GITA. All IT and telecommunications projects by executive branch agencies with development costs in excess of \$25,000, regardless of funding source, require a GITA approved PIJ before expenditure of State funds. Projects with development costs in excess of \$1 million require approval by the Information Technology Authorization Committee (ITAC). ITAC is comprised of fourteen representatives from the state of Arizona executive, legislative, and judicial branches as well as from the private sector and federal and local governments. The Governor appoints ITAC representatives to two-year terms, with the exception of the director of GITA and the legislative and judicial members.

*What should an agency report in its PIJ?*

Agencies are required to provide a thorough description of IT projects. The description should include the following: a management summary, a description of "To Be" and "As Is" conditions, roles and responsibilities, description of proposed technology, a financial assessment including development and operating costs, funding timeline and source, a project management plan, a risk assessment, and an itemized list of costs to substantiate the financial summaries.

*When does an agency have to submit a PIJ?*

An agency has to submit a PIJ for IT projects with development costs in excess of \$25,000.

*Where does an agency get the necessary PIJ forms?*

The GITA website at <http://www.gita.state.az.us> contains downloadable documents that describe the PIJ. If an agency does not have access to the Internet, contact GITA for assistance.

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## Governor's Office of Strategic Planning and Budgeting (OSPB)

### *What does OSPB do?*

- OSPB collects budget requests from each state agency, then recommends budget appropriations to the Governor and Legislature for executive branch agencies.
- OSPB collects various strategic planning elements defined by A.R.S. §35-122 from each agency, from which the *Master List of State Government Programs* is published.

### *Is there a fee for OSPB's services?*

OSPB does not charge any fees for its services and training classes.

### *How can an agency get help with completing its budget request and strategic plan?*

Call the assigned OSPB analyst for help on specific problems. Each agency has an assigned analyst who is a dedicated resource for that agency. They handle a variety of budget and planning related questions and often provide on-site agency assistance when needed. For general questions, an agency should plan on attending the training courses offered by OSPB and the Governor's Office for Excellence in Government (OEG).

## BUDGET REQUESTS

### *How does an agency submit a budget request?*

An agency must submit its budget request through the Budget Development Information Exchange System (BUDDIES), OSPB's automated budget system. The BUDDIES software is available to download at OSPB's website, [www.state.az.us/ospb/](http://www.state.az.us/ospb/). If an agency does not have Internet access, contact OSPB at (602) 542-5381 for a CD-ROM containing BUDDIES. The submission includes five hard copies of the budget request and a floppy disk.

### *When does an agency have to submit a budget request?*

An agency's budget request is due by September 1 each year. The budget request submitted in even-numbered years is for the next two fiscal years. The budget request submitted in odd-numbered years is the mid-biennium request, which may lead to supplemental appropriations to the budget previously adopted.

### *How does an agency's budget request become the agency's appropriation?*

An agency submits five copies of its budget request to OSPB electronically and in hardcopy form. OSPB forwards two copies to the Joint Legislative Budget Committee (JLBC). The agency request submitted to OSPB is used to develop the Governor's Executive Budget recommendations. JLBC develops its own recommended budget based on the agency request. When developing the Executive

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Budget recommendations, OSPB confers with the agency as needed to secure proper justification of the agency's budget request; JLBC may also speak with the agency. A legislative subcommittee then reviews both the Executive Budget and JLBC Budget recommendations. Budget analysts from OSPB and JLBC, as well as the agency director, offer testimony during appropriation subcommittee hearings. The hearings generally end with the approval of a budget at the subcommittee level. The proposed budget is then compiled with all other budgets into a single budget bill called the General Appropriations Act and most commonly referred to as the "feed bill". Once passed and signed, the budget becomes law.

#### *How is money appropriated to an agency?*

There are four types of appropriations: lump sum, modified lump sum, lump sum with special line items and line item appropriation. With a lump sum appropriation, an agency can move money between lines (e.g., increase Professional and Outside Services by \$2,000 and decrease Personal Services by \$2,000) without needing the approval of OSPB or JLBC, as long as the change nets zero. If the agency has a modified lump sum, lump sum with special line items, or a line item appropriation, changes can still be made under certain conditions and with certain restrictions. Call the agency's OSPB analyst for assistance.

#### *How does an agency keep track of what has been spent versus its appropriation?*

The Department of Administration's (DOA) General Accounting Office (GAO) provides an agency with a monthly report that shows expenditures compared to appropriations. This data is also available to an agency's OSPB analyst. See the GAO chapter in this manual for more information.

#### *What types of training classes are offered on budgeting?*

OSPB offers two summer training classes on budgeting. "***Budgeting from Start to Finish***" provides new and intermittent budget professionals with an in-depth understanding of the philosophy of budgeting, the budget process, terminology, timelines, fund types, sources for data, and the roles of OSPB, JLBC staff, and the agency in the budget development process. The class also provides a detailed walk-through of the automated budget development process (BUDDIES) from the download of the system from the Internet to inputting a budget request for submission to the Governor. (Because this class covers information regarding operating BUDDIES, attendees need not attend the Operating the Budget Development System class). "***Operating the Budget Development System (BUDDIES)***" provides an introduction to what is new to state budgeting, the Governor's budget submission guidelines, and an in-depth presentation of the new automated budget development system. These classes are free.

## STRATEGIC PLANS

#### *How does an agency submit a strategic plan?*

An agency must submit its strategic plan through the Arizona Integrated Planning System (AZIPS), OSPB's automated planning system. The AZIPS software is available to download from OSPB's website. If an agency does not have Internet access, contact OSPB for a CD-ROM. The submission includes five hard copies of the strategic plan and a floppy disk.

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*When does an agency have to submit a strategic plan?*

An agency has to submit its agency strategic plan and list of programs that contain various strategic planning elements by September 1 each year. An agency's strategic plan and their list of programs are collected by OSPB for inclusion in a publication entitled the *Master List of State Government Programs*. While the submittal of the agency strategic plan and program list is annual, the *Master List* is published only in even numbered years.

*Who does an agency report its performance measures to?*

An agency reports its performance measures to OSPB annually, when the agency submits its *Master List of State Government Programs* requirements. In addition, for the first time with the passage of the FY 2002 and 2003 budget, the General Appropriation Act contains performance measures that will be monitored by JLBC staff and the Appropriation Committee and subcommittees. The *Master List of State Government Programs* strategic planning software provided by OSPB will be programmed with a box to indicate which performance measures are contained in the General Appropriations Act in order to coordinate the process so an agency will not have to report performance data independently to JLBC. However, JLBC staff may choose to request additional information for clarification if necessary. Cabinet agencies must also submit specific monthly performance measures to OEG.

*What if an agency needs to change its strategic plan?*

While OSPB recognizes the planning process is dynamic, an agency should not change performance measures so frequently that a trend of performance is not established. OSPB becomes concerned when so many changes are made each year that the majority of an agency's measurements have no prior data available. Since budget reform legislation passed in 1993, there is an expectation that baseline data exist for an agency's primary activities and that it should be reported in a consistent manner.

*What types of training classes are offered for strategic planning?*

OSPB offers one summer training class on strategic planning. "*Operating the Strategic Planning System*" provides an introduction to what is new to state planning and an in-depth presentation of the automated planning system, AZIPS. This class is free.

OEG typically offers two classes on strategic planning, depending on the demand for training. "*Strategic Planning 101*" is a two-day course designed to assist Arizona State employees with strategic plan development in Arizona State Government. Emphasis is placed on assessment of internal and external customers, business assumptions, mission statements, vision statements, goals, and objectives. "*Using Your Strategic Plan to Manage*" is a one-day course that teaches participants how to put their strategic plan into action once it is complete. This course demonstrates how a strategic plan offers greater utility than satisfying a statutory requirement. Contact the OEG registrar at (602) 542-7000 or by e-mail at [www.oegr@az.gov](mailto:www.oegr@az.gov) or visit OEG's training website at [www.az.gov/excellence](http://www.az.gov/excellence) for information on class availability.

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## Arizona Secretary of State (SOS)

### *What does the Secretary of State do?*

The Secretary of State's Office assists the general public and other state agencies by providing a variety of services. The following are some of the services the Secretary of State provides (for more information on additional services, contact the Secretary's office or visit its Web site):

- Maintains notices of where agencies post their public meeting notices.
- Serves as Registration Officer for Lobbyists and registers and files expenditure reports made by principals, public bodies, and lobbyists.
- Publishes the *Arizona Administrative Code* and the *Arizona Administrative Register*, both of which contain the rulemaking activities of the state's agencies. The supplements to the *Code* are published quarterly, and the *Register* is published weekly.
- Commissions Notaries Public for four-year terms and certifies notarized documents going to other states and foreign countries.
- Establishes electronic signature policy.
- Files intergovernmental agreements (IGAs), which are contracts entered into by two or more public agencies.

### *Are there fees for the Secretary of State's services?*

There are fees for some of the Secretary of State's services. For example, the Secretary of State charges fees for some of its publications, Notary Public commissions, and lobbyist registrations. Visit the Secretary's Web site at [www.sos.state.az.us](http://www.sos.state.az.us) or call (602) 542-4285 for more information on the fees charged for specific services.

## POSTING NOTICES

### *Do all agencies have to let the Secretary of State know where notices of public meetings will be posted?*

Yes. A.R.S. § 38-431.02 requires that all agencies, boards, commissions, and departments inform the Secretary of State in writing where Notices of Public Meetings will be posted. There is not a form for this; agencies usually just send a letter to the Secretary listing the places where the Notices will be posted. For physical locations, the building address and floor or room number should be provided. For Internet posting, the home page location is sufficient if there is a link to the Notice page.

This law does not require that agencies send the Secretary a notice of every public meeting they are having – only one notice of *where* those notices will be posted is required.

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## LOBBYING

### *Does every agency have to register as a Public Body and have a Designated Public Lobbyist (DPL)?*

If anyone from your agency talks to a legislator to try to influence that person's vote on any bill, the answer is yes. Because most agency heads must testify on their budget requests, almost all agencies have to register as a Public Body and the agency head must designate a person to be the agency's Designated Public Lobbyist.

### *When does an agency have to register? And how often must they re-register?*

The agency must be registered as a Public Body, and a person from the agency as Designated Public Lobbyist, within 72 hours of any lobbying communication made to a public official. Public Bodies must renew their registrations in November of even numbered years. Designated Public Lobbyists renew their registration in November of odd numbered years. The registrations for Public Body and for Designated Public Lobbyist are separate. Registrations and renewals cost \$100 each, and may be paid using a GAO/ AFIS transfer form. Information on registering a lobbyist is at the Secretary's Web site. Lobbyist forms, such as expenditure report forms and registration forms, are also located at this Web site. Call the Elections Services Division at (602) 542-8683 for more information.

### *May an agency have more lobbyists than just the Designated Public Lobbyist?*

Yes, an agency may have as many Authorized Lobbyists as it wants. An Authorized Public Lobbyist (APL) has the same authority to lobby that the Designated Public Lobbyist does. The difference is that the Designated Public Lobbyist is the contact person for the Secretary of State and is responsible for filing the required reports with the Secretary of State; the Authorized Lobbyist may not register or renew without the DPL's signature.

### *Who has to file expenditure reports? And when are they due?*

Designated Public Lobbyists file quarterly expenditure reports that contain their own expenses and those of all the Authorized Public Lobbyists. The fourth quarter report requires that the DPL report that quarter's expenses as well as the total annual expenditures. The reports are due on the last day of the month following the quarter (these dates are found in the Statewide Planning Calendar, which is located in the back of this guide).

The DPL is also responsible for filing the Annual Principal / Public Body Expenditure Report by March 1 each year. The annual report lists the expenditures made and the names of the public officials receiving the benefit of those expenditures. In addition, the annual report includes the numbers of hours spent lobbying by the DPL and all APLs.

## ARIZONA ADMINISTRATIVE CODE

### *What is the Arizona Administrative Code?*

The *Arizona Administrative Code* is the official compilation of Arizona state agency rules. The rules of more than 150 agencies, boards, commissions, departments, and offices appear within the 20 Titles

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(subject areas) in the *Code*. Quarterly supplements update the Chapters. Each supplement contains Chapters that have been adopted, amended, repealed, or recodified during the specified quarter.

#### *How does an agency get the Arizona Administrative Code?*

The official version of Arizona state agency rules, by law, is the paper copy of the *Arizona Administrative Code*. There is a fee for the official paper copy. This must be ordered from the Secretary of State's office. Links to the order form and price list can be found at the Secretary's Web site. An agency can purchase the *Code* as a complete set or by Title or Chapter. An annual subscription to the supplement service is also available for a fee. A link to the on-line version, offered in either HTML or PDF format, of the *Code* is found at the Secretary's Web site. Chapters are also available on CD-ROM and disk. Call (602) 542-4751 for more information.

## ARIZONA ADMINISTRATIVE REGISTER

#### *What is the Arizona Administrative Register?*

The *Arizona Administrative Register* is a weekly publication that contains the rulemaking activity of the state's agencies, including the full text of proposed, final, emergency, summary, and exempt rules. In addition, the *Register* contains the full text of the Governor's Executive Orders and Proclamations of general applicability, summaries of Attorney General opinions, notices of rules terminated by the agency, and the Governor's appointments of state officials and members of the state's boards and commissions. Other documents may be included if the documents are concerned with rulemaking or if state statute requires that they be published in the *Register*. The *Register* also includes a calendar outlining the deadlines of the rulemaking process. See the GRRRC chapter in this guide for more information on rulemaking.

#### *How does an agency get the Arizona Administrative Register?*

An on-line version of the *Arizona Administrative Register* is located at the Secretary's Web site. This version is available only in PDF format. It is also available in hard copy form through a one-year subscription rate. Links to the order form and price list can be found at the Secretary's Web site. The *Register* and *Code* share the same order form. Call (602) 542-4751 for more information.

## NOTARIES PUBLIC

#### *Are the requirements different for private sector and public sector Notaries Public?*

No. The requirements for a private sector Notary Public and a state agency Notary Public are the same. Notary Public information, including the *Arizona Notary Handbook* and a Notary Public search engine, are found at the Secretary's Web site. Call (602) 542-4758 for more information on Notary Publics.

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*Can an agency pay the fees and bond for a Notary on staff?*

Yes. It is up to the agency director whether the agency or employee pays the fees and bond for commissioning a Notary Public. If the agency pays the fee and bond, Risk Management must be contacted. See the chapter on Risk Management in this guide for more information.

## ELECTRONIC SIGNATURES AND ELECTRONIC NOTARIES

*How does an agency obtain approval to use electronic signature for on-line transactions?*

The Secretary of State manages electronic signature use and must approve all electronic signatures and electronic Notaries. For more information on obtaining an electronic signature, visit the Secretary's Web site or contact the Secretary's office at (602) 542-7386.

## INTERGOVERNMENTAL AGREEMENTS

*What are Intergovernmental Agreements (IGAs)?*

IGAs are contracts entered into by two or more public agencies that are located in different governments. For example, a contract between a public agency in state government and a public agency in a county government is an IGA. The same is true for contracts between state and federal government public agencies. These must be filed with the Secretary's office. Contact the Secretary of State for more information on IGAs.

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## State Library, Archives and Public Records (LAPR)

### *What does LAPR do?*

Through its Law and Research Library, Records Management, History and Archives, and Museum divisions, the library collects, organizes, provides access to, and preserves government information. To further its mission, the agency provides financial and technical support to Arizona libraries, archives, and museums through the Library Development Division. The agency also provides special services to Arizonans unable to read printed materials through its Braille and Talking Book Library.

The Arizona State Library, Archives, and Public Records is legally mandated:

- to acquire, maintain, preserve, and provide access to copies of all state agencies' publications.
- to adopt rules for the description of state publications in all formats.
- to establish standards, procedures, and techniques for effective management of public records.
- to acquire and preserve those records of permanent value.

To do that LAPR:

- Works with agencies to ensure that all publications, regardless of format, are identified and deposited with the Law and Research Library (A.R.S. §41-1335, §41-1338).
- Evaluates and appraises records for their administrative, legal, fiscal, research, informational, and historical value through consultation and training (A.R.S. §41-1345, §41-1349).
- Assists government agencies in the development of Records Retention and Disposition Schedules (A.R.S. §41-1351).
- Operates the State Records Management Center for storage of inactive records.
- Authorizes the legal destruction of government records (A.R.S. §41-1351).
- Reviews all proposed document imaging applications by agencies pursuant to A.R.S. §41-1348.
- Directs special projects related to public records, such as standards for electronic record keeping.
- Serves as the official archives for the continued preservation of Arizona's historical records (A.R.S. §41-1339).

### *What is an agency's responsibility for publications, records, and archives?*

The heads of state and local agencies are required to make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency. This is required to protect the rights of the state and of persons directly affected by the agency's activities (A.R.S. §41-1346). Such documentation may include publications, websites, and records.

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All state agencies are required to submit copies of all its publications, regardless of format, to the Law and Research Library. Publications include any informational materials which are intended for distribution and which are created by or at the direction of the agency. Common publications include annual reports, newsletters or magazines, project reports, handbooks, and manuals.

All government agencies, including local governments and special districts, are required by law to establish a records management program, including the appointment of a records management coordinator, to make certain the agency's records are retained as long as they are valuable (A.R.S. §41-1346). Records may be destroyed only when they are no longer valuable, as determined by the State Archives; destruction of public records without authorization by LAPR is a felony (A.R.S. §38-421). To ensure that records are disposed of in a timely manner, the Records Management Division works with agencies to develop a schedule describing how long records must be kept and if those records may be destroyed or must be transferred to the State Archives. Infrequently used records that take up valuable office space may be stored off-site or may be microfilmed; the State Records Management Center offers both services for an economical cost-recovery fee.

All official territorial or state archival records must be deposited with the State Archives (A.R.S. §41-1339). All agencies must conform to LAPR standards for permanent records and for document imaging systems (microfilm or digital). No records scheduled for permanent retention may be kept exclusively in electronic format.

*Is there a fee for LAPR's services?*

Agencies must provide five copies of all publications to the Law and Research Library for free at the time of publication. LAPR will catalog, provide access to, and preserve these publications for your agency and the public, reducing your agency's costs of providing this information to the public.

Records management consulting and training is free to Arizona state agencies, counties, cities, towns, and special districts, including design of filing systems, development of records retention and disposition schedules, and evaluation of electronic records and imaging systems. Agencies are charged a nominal fee for the storage, retrieval, and destruction of records at the State Records Management Center. Preservation imaging, including microfilming and digital imaging, is available for a cost-recovery fee.

Archival records that cannot be destroyed must be transferred to the State Archives, where they will be kept permanently. There is no fee to deposit records with the State Archives.

*How can an agency get help managing its publications and records?*

- For questions about publications, contact the Law and Research Library at (602) 542-3701 or by e-mail at [research@lib.az.us](mailto:research@lib.az.us).
- For assistance with records management, contact the Records Management Division at (602) 542-3741 or by e-mail at [rmd@lib.az.us](mailto:rmd@lib.az.us). The Records Management Division offers training sessions on records management. A schedule of classes is available at the LAPR website at [www.lib.az.us/records/training.htm](http://www.lib.az.us/records/training.htm).
- For questions about archival records, contact the State Archives at (602) 542-4159 or by e-mail at [archive@lib.az.us](mailto:archive@lib.az.us).

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## RECORDS RETENTION AND DISPOSITION SCHEDULES

### *How does an agency submit Records Retention and Disposition Schedules?*

An agency may submit an initial draft or update a schedule on forms available from the Records Management Division, or the agency may call the Division for one-on-one assistance in developing the retention schedule. Separate forms are available for paper and electronic records. At this time, the forms are available in paper format, or as Adobe Acrobat (PDF) files that can be e-mailed to the interested party. In the near future, the forms will be available via the LAPR website at [www.lib.az.us/index.html](http://www.lib.az.us/index.html).

### *When does an agency have to submit a Records Schedule?*

An agency should have an up-to-date schedule on file with LAPR showing how long all records—paper or electronic—must be kept, and if those records are to be destroyed or sent to the State Archives. Whenever an agency changes its business practices that effects what records are received, created, stored, or archived, an amended schedule must be filed. For electronic records, an amended schedule must be filed whenever the operating system or software application/language changes. If the agency changes the manner in which records will be destroyed, or the timetable for destroying the records, an amended schedule must be filed.

### *What does an agency do with records the agency no longer needs?*

Agencies may destroy records only with authorization of the LAPR Records Management Division. Records may be destroyed according to approved Records Retention and Disposition Schedules or using a Single Request form for unscheduled records. The agency must then file a Report of Records Destruction with LAPR.

In all instances, the agency should exercise good judgment when destroying records. Scheduled records that have passed their retention period must be kept if required for litigation or audits. An agency should contact the State Archives to reappraise any records scheduled for destruction if the agency feels that those records have become historically valuable.

An agency may store any inactive records that are included on approved Records Retention and Disposition Schedules at the State Records Management Center. To arrange for storing records at the records center call (602) 542-3741 to request assistance.

Permanently valuable records must be turned over to the State Archives for long term preservation. The State Archives may be contacted at (602) 542-4159 for assistance.

### *What happens if an agency doesn't manage its records as required?*

Records represent an agency's intellectual capital. That capital is diminished if it takes significant time to locate records in a poorly organized system or if information must be recreated because it cannot be found.

Mutilation or unauthorized destruction of public records is a felony in the State of Arizona. Furthermore, not having a records management coordinator, a records management program, or not following the requirements for document imaging are misdemeanor crimes (A.R.S. §41-1348).

## IV. STATEWIDE PLANNING CALENDAR

DATE		EVENT	AGENCY
<b>January</b>	first week	Excess employee leave deleted from HRMS by	GAO
	by 31	Verification of vendor activity for 1099 due to	GAO
	last payday	Employee W-2s available for pick-up from	GAO
	31	4th Quarter Lobbyist Report due to	SOS
<b>February</b>	1	Spirit of Excellence (SOE) applications due to	OEG
	by 28	Responses to Single Audit findings due from affected agencies to	GAO
<b>March</b>	1	Annual Principal / Public Body Lobbyist Expenditure Report due to	SOS
<b>April</b>	first week	AFIS year-end Closing Instruction memo sent out from	GAO
	mid-month	Spirit of Excellence Awards winners announced by	OEG
	30	1st Quarter Lobbyist Report due to	SOS
<b>May</b>	mid-month	Spirit of Excellence Awards Presentation	OEG
	mid-month	AFIS structure changes impacting appropriate load due to	GAO
	mid-month	Appropriation load sheets due to	GAO
	by 30	Fiscal Year-End Payroll Schedule memo and meeting notice sent by	GAO Payroll
	by 30	Statewide Employee Savings Bond Drive materials from (optional)	GAO
<b>June</b>	3rd week	Administrative Adjustments due to	GAO
	by 30	AFIS structure changes not impacting appropriation load due to	GAO
	30	Substantive Policy Statement Directory Certification due to	GRRC
	30	Annual Progress Report of Five-year Rule Review due to	GRRC
	30	End of State fiscal year for	All agencies

DATE		EVENT	AGENCY
<b>July</b>	1	Beginning of State fiscal year for	All agencies
	mid-month	General Survey and Checklist for Closing Packets due to	GAO
	15-20	Approximate end of 13th month	All agencies
	by 31	new FY Month-End Closing Schedule memo sent out from	GAO
	by 31	June 30 reconciliations of bank and revolving funds due to	GAO
	31	2nd Quarter Lobbyist Report due to	SOS
<b>August</b>	15	IT Inventory due to	GITA
<b>September</b>	1	Annual Agency IT Plan due to	GITA
	1	Strategic Plan (AZIPS) due to	OSPB
	1	Budget Request (BUDDIES) due to	OSPB
	1	Time-frame Rule Compliance Report due	GRRC
	first week	State Employee Charitable Campaign (SECC) materials sent from	DOA
	second week	SECC Campaign starts	Pacesetter agencies
	by 30	Excess Leave Warning Report sent out to affected agencies	GAO
<b>October</b>	1	Spirit of Excellence (SOE) applications available from	OEG
	first week	SECC Campaign starts state-wide	All agencies
	31	3rd Quarter Lobbyist Report due to	SOS
	31	Opportunistic Loss Program Report due to	Risk Management
<b>November</b>	16	All SECC contributions and monies due to	Gov's Special Events
	by 30	Calendar Year-End Payroll Schedule memo and meeting notice sent by	GAO Payroll
	30	Re-registration for Lobbyists or Public Bodies due to (alternate years)	SOS
<b>December</b>	by 31	Relief Bills requests due to	GAO

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## V. PHONE NUMBERS FOR KEY ADOA AND NON-ADOA SERVICES

### ARIZONA DEPARTMENT OF ADMINISTRATION ..... (602) 542-1500

**Capitol Police** ..... in Phoenix – (602) 542-0362

.....in Tucson – (520) 628-6645

Provides law enforcement, public safety, crime prevention and security services on governmental malls in Tucson and Phoenix, and issues State I.D. badges (electronic keys to access State Buildings).

*Who do I call in case of emergency?*.....9-1-1

### General Services Division (GSD)

FACILITIES OPERATION AND MAINTENANCE ..... (602) 542-4594

Maintains ADOA-managed office buildings (plumbing, electrical, heating/cooling, and general maintenance), provides custodial services, maintains landscaping.

SPACE PLANNING (State ADOA Building and Private Lease Space) ..... (602) 542-6041

Inspects facilities, manages the modification of office space, oversees private sector office leases for agencies, manages space utilization of ADOA office buildings, manages construction and renovation projects (elevators, roof replacements, etc.), and provides design and construction of new state office buildings.

### Financial Services Division (FSD)

GENERAL ACCOUNTING OFFICE (GAO)..... (602) 542-5601

Operates the Statewide accounting and payroll systems; provides Statewide accounting policies and procedures; provides State travel training; signs and distributes vendor warrants; provides accounting and consulting services to State agencies; administers security for Statewide financial applications; monitors and reports on State appropriations; creates Statewide financial reports, performs internal audits and investigations; and provides technical assistance to agencies. [www.gao.state.az.us](http://www.gao.state.az.us)

RISK MANAGEMENT ..... (602) 542-2182

Investigates and settles all claims relating to state property and liability issues, investigates and settles all workers' compensation claims filed by State employees, and assists State agencies in reducing the frequency and cost of losses.

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STATE PROCUREMENT OFFICE (SPO)..... (602) 542-5511

Establishes and administers contracts for commodities and professional services, establishes procurement rules, procedures and practices, provides technical assistance and guidance relating to procurement statutes, rules and procedures. [www.sporas.ad.state.az.us](http://www.sporas.ad.state.az.us)

**Human Resources Division (HRD)** [www.hr.state.az.us](http://www.hr.state.az.us)

CAPITOL MALL PERSONNEL (CAMP) ..... (602) 542-1422

Provides personnel services in the areas of employment, classification, and compensation.

BENEFITS/INSURANCE SECTION..... (602) 542-5008

Provides a wellness program, administers the State’s health, life and dental insurance program.

EMPLOYMENT INFORMATION RECORDING ..... (602) 542-4966

**Information Services Division (ISD)**

CUSTOMER CARE SECTION ..... (602) 542-2325

TELECOMMUNICATIONS [www.ats.state.az.us](http://www.ats.state.az.us) ..... (602) 542-5712

**Management Services Division (MSD)**

OFFICE OF AMERICANS WITH DISABILITY ..... (602) 542-5276

Provides assistance to agencies in complying with current disability laws.

GOVERNOR’S REGULATORY REVIEW COUNCIL (GRRC)..... (602) 542-2058

Administers the rulemaking process. [www.grrc.state.az.us](http://www.grrc.state.az.us)

FLEET MANAGEMENT OFFICE..... (602) 542-3118

Provides vehicle rental for employees conducting State business.

MAILROOM ..... (602) 542-3158

OFFICE SUPPLIES..... (602) 542-3107

PRINT SHOP..... (602) 542-3213

Provides printing and copying services.

STATE BOARD’S OFFICE ..... (602) 542-3095

Provides administrative support to some licensing agencies.

SURPLUS PROPERTY ..... (602) 542-5701

Disposes of state and federal surplus property.

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**Strategic Administrative Services Division (SASD)**

CONFERENCE ROOM RESERVATIONS.....(602) 542-1797

**GOVERNMENT INFORMATION TECHNOLOGY**

**AGENCY (GITA) ..... (602) 340-9044**

GITA has broad authority for statewide information technology (IT) planning, oversight, coordinating, and consulting. [www.gita.state.az.us](http://www.gita.state.az.us)

**GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING (OSPB) ..... (602) 542-5381**

OSPB collects budget requests from each state agency and collects various strategic planning elements defined by A.R.S. §35-122 from each agency. [www.state.az.us/ospb](http://www.state.az.us/ospb)

**GOVERNOR'S OFFICE FOR EXCELLENCE IN GOVERNMENT (OEG)..... (602) 542-7546**

OEG serves as the in-house management consulting resource for Executive Branch agencies. OEG also is responsible for a number of programs that promote efficient and effective government. [www.governor.state.az.us/excellence](http://www.governor.state.az.us/excellence)

**ARIZONA SECRETARY OF STATE (SOS) ..... (602) 542-4285**

Assists the general public and other state agencies by providing a variety of services to State agencies and the public. [www.sos.state.az.us](http://www.sos.state.az.us)

**STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS (LAPR) ..... (602) 542-4035**

The Secretary of State's Office provides information and services to the general public and other state agencies. [www.lib.az.us](http://www.lib.az.us)